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by Steven Craig

Shelter Dependency
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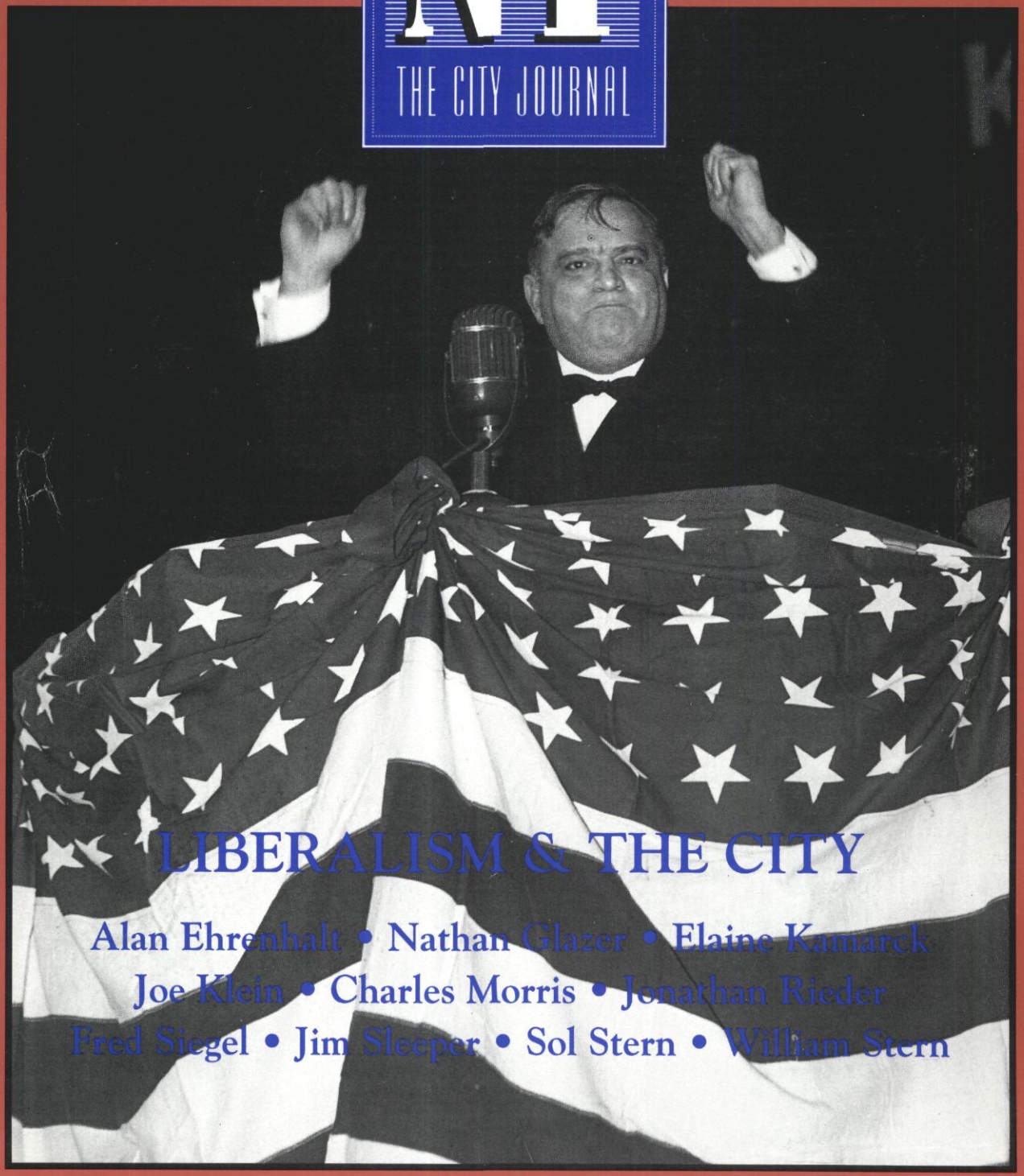
NY
THE CITY JOURNAL

Is School-Based Management Working?
by Stephanie Gutmann

Out of the Barrio
by Linda Chavez

Volume 1, Number 5 Autumn 1991



LIBERALISM & THE CITY

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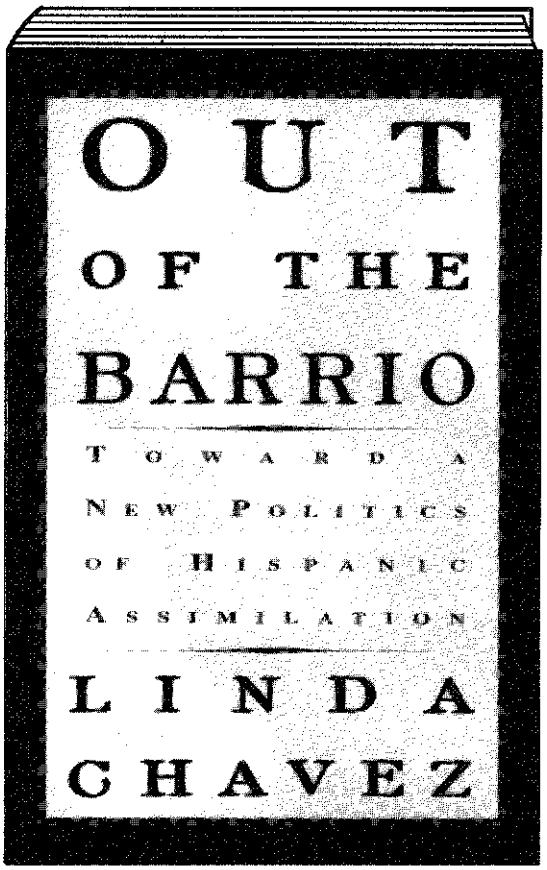

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Published by
Manhattan Institute's
Center for New York Policy Studies

NY (ISSN 1057-3607) is published quarterly.
Subscription rates: one year, $25; two years, $40.
Send all subscription inquiries, orders, address changes, and editorial correspondence to
NY, 52 Vanderbilt Avenue, New York, NY 10017-3888
Telephone: (212) 599-7000
Facsimile: (212) 599-3494

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EDITOR'S JOURNAL

GETTING THE JOB DONE

A friend called the other day with a new area code from a place so far away I had to think twice before returning the call: Did I know anyone named R—— from there? I did now.

Only a few months ago my friend was a senior policy adviser at one of the city's largest government agencies. Why did he leave so suddenly?

Simple, he explained. He was swallowed by the fiscal crisis. No, he hadn't been laid off, but his job had become pointless. His only reason for being in the government had been that the new administration, in its earliest days, seemed surprisingly open to new ideas. But since the crisis it had become almost impossible to get people to think seriously about anything other than how to do the same old things, but for less money.

As a number of the pieces in this issue make clear, however, money is probably city hall's least important problem.

Money is unimportant first of all because—as **Steven Craig** shows, in one of the most important pieces *NY* has published—this city has a great deal of it. Comparing how much money different cities spend on municipal government is a thorny task because different localities divide up different jobs among different jurisdictions: special districts, county and city governments, etc. But Professor Craig has done the job and shows that New York spends almost twice as much per resident as the average large American city, and 50 percent more than the next highest-spending

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city, Los Angeles. We are, even in the middle of a fiscal crisis, swimming in money.

It might be more accurate to say that we are drowning in it. As a number of the participants in this issue's Roundtable—"Liberalism and the City"—suggest, more money sometimes makes government less clever. **Fred Siegel** notes, for instance, that the decision of the reform Democrats, and subsequently of John Lindsay, to transform the city's municipal unions into the political force that would replace the old Democratic machine has been enormously costly, replacing cheap workers with expensive tenured ones, and making those workers essentially unaccountable to voters. Only a very rich city could be tempted to make such a poor deal.

Money can be dangerous, as **Elaine Kamarck** points out, when it tempts us to build huge bureaucracies full of "service providers" who subtly shift the focus of government away from the problems it is supposed to be solving and toward the interests of those it has hired to solve them.

Even our boldest reformers seem unwilling to challenge this tendency. As **Stephanie Gutmann** points out in "Fernandez's Quick Fix," Chancellor Fernandez's supposedly dramatic reform of the schools does little more than shift perks and power around the existing system, with little net effect except making the teachers' union, already the most powerful player, even more powerful.

When school-based management fails here, as it did in Dade County, where it was also introduced by Mr. Fernandez, the cry will go up for more money. It will be one more distraction: There is no way to make the system work as long as parents and children have no choice but to take whatever the system offers.

People who want government to spend more money generally find themselves called liberals, while people who want the government to spend less money often get called conservatives. Those two words have hardly ever appeared in the pages of this magazine, it being our conviction that the stark ideological divisions that infected American politics over the last several decades are largely irrelevant to municipal government. As several members of our Roundtable note, nearly everyone agrees that municipal government must be activist: Someone has to collect the garbage, patrol the streets, and educate children, whether or not all the people who are receiving these services can, at the moment, afford to pay for them. That means activist government.

There remain, of course, such questions as whether the government should run its own garbage trucks and elementary schools, pay some private company to do it, or even more radically, reimburse citizens for getting it done themselves. In other words, the argument is not over money, but management. Dragging in the old liberal-conservative passion play is just a way of avoiding fundamental reform. That is probably the most interesting lesson to be drawn from our Roundtable, in which most of the participants, all liberals, seem to agree that if liberals have gone wrong somewhere, it is in confusing ends with means and insisting that activist government always means huge government bureaucracies and detailed interventions into the lives of citizens. On the contrary, activist government means getting the job done.

Speaking of which, this is my last issue as editor of *NY*. Starting a new magazine devoted to helping New York has been an exhilarating experience and an opportunity for which I am deeply grateful to the Manhattan Institute and its president, Bill Hammett. Most of all, however, I am grateful to this city, whose glories have been *NY*'s constant inspiration, and which I believe cannot fail to inspire her citizens to the great exertions now needed if those glories are not to fade. —*RV*

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LETTERS

Sick Transit

We are grateful for the opportunity to respond to James MacGuire's article ["Subway Sex," Summer 1991]. The Metropolitan Transit Authority and Gannett Transit, which manages the advertising contract for the MTA, are working together to upgrade the quality of advertisements. The first step is to change the advertising industry's perception of the subway and its customers. The industry must be made aware that the subway environment has improved dramatically in the last few years, thanks to the investment of $12 billion to rebuild the system. Subway cars are now graffiti-free and air conditioned, and trains are four times more reliable than they were just seven years ago. With these improvements has come a concurrent change in passenger demographics. Statistics now show that 71 percent of subway customers have incomes over $25,000. That is 71 percent of an average 3.6 million riders daily, and that's an awfully big audience with disposable income. The average subway commute is 25 minutes long, a time period in which the advertiser's target audience cannot change channels, mute the volume, turn the page, or go into the kitchen for a snack.

Changing the advertising industry's perception of the subway is a slow process. However, we are encouraged by Gannett's progress in having secured contracts with such clients as Brooklyn Union Gas, the *Daily News*, NYNEX, and Chemical and Chase Manhattan banks. We hope that with the addition of newer advertising technology in subway cars and stations, advertisers' awareness of the subway's great potential to reach New Yorkers will increase.

John Cunningham
Press Secretary
Metropolitan Transit Authority
New York, N.Y.

James MacGuire replies:

It is encouraging to know that the MTA now recognizes what a disgraceful situation it has permitted to develop in underground advertising. It seems to me, however, that the most efficacious first step to "change the advertising industry's perception of the subway and its customers" is not to mount a dog-and-pony show on demographics (although this, of course, must be part of any successful sales effort), but to issue immediately strict new guidelines which send advertisers a clear message: *No more smut allowed.*

Hidden Homeless

Randall Filer's "Tracking Down the Hidden Homeless" [Summer 1991] is a good example of how risky it is to reach a conclusion on the extent of homelessness in New York City solely by relying upon selective use of assumptions and statistics which are, at best, only partially relevant. Examples of this flawed methodology abound, but the most glaring is Mr. Filer's total reliance upon the *1987 New York City Housing and Vacancy Survey*. That report fails to capture an entire range of statistics directly bearing on the extent of the huge hidden homeless population in our city.

Two examples should suffice. First, many doubled-up families are not on public assistance simply because the host families' public-assistance grant would be adversely impacted if they were. Secondly, many immigrant families who are doubled-up do not reveal themselves to any public agency, mostly out of fear of their illegal status, or because the landlord's rules prohibit overcrowding.

Moreover, surveys by the New York City Housing Authority variously place the estimate of doubled-up families at the 30,000 to 55,000 range in its projects alone. The doubled-up situation has also reached critical proportions in many of the 44,000 additional city-owned housing units occupied by poor families. Based partly upon these far more probative reports, our latest *conservative* estimate is that there are at least 110,000 to 120,000 hidden homeless families in New York City currently doubled up in mostly substandard or overcrowded units. Applying the average for very low-income family size, this means there are up to 400,000 hidden homeless, most at serious risk of becoming actually homeless. The extent of the problem can best be measured by considering that if only 2 percent of these become actually homeless, the city's capacity to provide for them would be overwhelmed.

Peter Smith
President
Partnership for the Homeless
New York, N.Y.

Randall Filer replies:

Mr. Smith cleverly repeats the very fallacy that my analysis shows is wrong. Very few of the rea-

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sons families share housing suggest possible future homelessness. The fact that families find it optimal to share housing often means that they prefer not to live in separate housing. The illustration of the variety of situations that have led 307,000 New York households (including 30,000 to 55,000 in public housing) to share housing was the point of the article. No assertion by Mr. Smith can change this fact to include most of these households among the "homeless" problem.

With respect to the accuracy of the data, no one doubts that some families were omitted (perhaps as many as 5 percent were missed in the 1990 census). Yet the 1987 figures correspond to those from the *New York City Housing and Vacancy Survey* of both 1981 and 1984, as well as (preliminarily) from the 1990 census. For Mr. Smith's analysis to be true, there would have to be a vast population invisible to every official agency and seen only by him (and his allies). Such an insistence on asserting proprietary facts makes rational public policy debate impossible.

Finally, Mr. Smith's explanations of why families who share housing do not reveal this fact to interviewers make little sense. Under current rules, a secondary household's applying for public assistance can never have an adverse impact on the grant of a primary household. The only issues are the size of the household and its total family income.

Consider two three-person families sharing an apartment. If they assert that they maintain separate budgets and expenses, they will be given *two* three-person grants, for a total income of $19,178 each year if they have no other income. If the secondary family does not apply for welfare, the primary family will receive only half this amount, $9,589. If both families apply, the worst that could happen is for all six residents to be deemed a single family and given the $15,025 grant for a six-person family—still an increase of $5,436 over what the household would receive if the second family did not apply for welfare.

The only time that sharing housing would decrease the grant of the primary household is if the secondary household had an income so large that the combined household was too prosperous to qualify for welfare. In this case, however, the secondary household would not be eligible for welfare and so, of course, would not have applied.

If the problem is illegal status, then the remedy for the "housing" problem is increased enforcement of immigration laws, not a commitment to provide apartments for every person not entitled to be in the United States.

Another School of Thought

Raymond Domanico's article, "Does State Aid Reach the Schools?" [Summer 1991], documented a serious decline in the local tax levy support for our schools. I have made this same point time and again during the current debate on the city's fiscal 1992 budget. In fact, in a recent independent report prepared by Coopers & Lybrand, the point was driven home in a comparative analysis of local support by a variety of other localities. But it is not accurate for Mr. Domanico therefore to conclude that this is the sole reason why New York City schools do not receive a larger percentage of state education aid—aid to which, I believe Mr. Domanico agrees, we are entitled.

In spite of a strong case and the intervention of many well-meaning and helpful officials, the results show that neither the city nor the state has distinguished itself in its financial support for our schools. City tax levy support should not have declined so precipitously—from approximately 23 percent in 1984 to 16.9 percent today. Clearly the state aid formula needs to be totally revamped consistent with the recommendation of the Salerno Commission, making it need-based, dependent on a blend of attendance and enrollment, and factoring in the cost of education as well. The reasons for the funding disparity, however, have little to do with the point raised by Mr. Domanico. They are both economic and political, reflecting the economic downturn in the city and state, and upstate/downstate politics.

Joseph A. Fernandez
Chancellor
New York City Public Schools
Brooklyn, N.Y.

Will Workfare Work?

Lawrence Mead's analysis of why New York State and City are so laggard in welfare reform ["Kicking New York's Dependency Habit," Summer 1991] is on target. Unfortunately, however, I do not share his conclusion that the state and city will be unable to meet the federal requirement for 20 percent client participation rates and are therefore headed for a showdown with Washington.

I think the more likely scenario is similar to what happened to the mandatory participation requirements of WIN, the precursor to welfare reform. This was a wholly desultory process where clients who showed up periodically at an office of the State Employment Service said either that they were looking for work or enrolled in training or

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could not participate because of some excuse or another (no day care, temporary health problem, etc.), and were checked off as participating until the next scheduled call-in. Employment Service personnel generally encouraged this behavior because they did not think the clients were really capable of getting or holding a job anyway, and spending the time to seriously encourage or help them would have taken a strong effort with limited initial management indicator (i.e., placement rate) pay-off.

Given the city's current reluctance to come to grips with the problem, it is likely that some similar system will be created. Federal requirements will be met, but welfare rolls will not be affected.

William J. Grinker
New York University
New York, N.Y.

(***Editor's note:*** Mr. Grinker is former administrator of the New York City Human Resources Administration.)

A Demagogue Debunked

Tamar Jacoby ["Sonny Carson and the Politics of Protest," Summer 1991] is a brilliant, courageous writer. She is not afraid to tell the truth about someone who can only be described as vicious and violent. Sonny Carson has intimidated many people, even on occasion our present mayor, who allowed an illegal racial boycott of a Korean merchant to go on for eight months before intervening to assist the poor merchant. Rarely are fanatics as honestly examined as Carson is in the profile by Ms. Jacoby.

Edward I. Koch
New York, N.Y.

Mindless Law?

James Taranto's article ["Mindless Law in Topless Bar," Summer 1991] contains numerous inaccuracies and misconceptions.

The Building Code required that an accessible entrance for people with disabilities be provided at Gold Fingers, the topless bar. Mr. Taranto stated that a ramp "no wheelchair-bound person could ever use" was approved by the Department of Buildings. However, according to Mr. Taranto, the architect "improvised" and designed a ramp that is too short, too steep, and has turns too sharp. Mr. Taranto blames the law, but the law does not require senseless spending of money on dangerous construction. As a licensed professional, the architect is responsible for providing his client with a sound product that is in compliance with all pertinent laws.

Mr. Taranto suggests that the cost of providing access is exorbitant, but he then says "for buildings undergoing lesser renovations, any part of the building being changed must be made accessible." Clearly, he understands that the goal of this provision is access over time, in line with the intended scope of work. Yet he adds that including accessibility in the intended scope of work will be significantly burdensome to small-business owners. If that is the case, then any work planned is likely to be burdensome to the small-business owner. Why lay blame on this law for the cost of construction? The federal Internal Revenue Code permits tax deductions and credits for the removal of architectural barriers in compliance with accessibility laws.

Mr. Taranto's account of Stan Rubin's experience in renovating his co-op suggests that Rubin, who is blind, probably received erroneous advice regarding compliance requirements, thus accounting for the claim that an additional $12,000 would be required. Mr. Taranto characterizes Rubin as a "victim of the excesses of the law." The true victims, however, are people with disabilities, who have been segregated until Local Law 58 was enacted. Rubin's reaction to the law illustrates that prejudice is an integrated emotion.

Under Local Law 58, hallways and archways are not required to be four feet wide. Generally, the minimum clearance at halls is three feet, and doors require a clearance of at least two feet, eight inches. When the location of a door in a hallway would require a turn before passing through it, the corridor size would increase somewhat, but only at the door. The increased size would be dependent upon the approach to the door, regardless of whether the door itself could be made wider. There is always more than one solution to a design problem, whether the problem is one of access or otherwise.

Anne M. Emerman
Director
Mayor's Office for People with Disabilities
New York, N.Y.

Mr. Taranto took great liberties in stating that I, as the architect, had "improvised" the ramp built at Gold Fingers. The ramp was correctly specified and detailed on the building plans. Whether the building contractor failed to follow the plans, and the Building Department inspector failed to notice this at the time of inspection, is another matter entirely. I, however, would not deviate from required building codes.

Marvin I. Schwartz
Whitestone, N.Y.

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How to Save the City

Just about everyone wants to save New York, but fewer and fewer people seem to think this is possible. Saving whose city? people want to know: The city of the rainbow coalition or the yuppie city? The gay city or the Catholic city? The teachers' union or the students they teach? The garbage collectors or the garbage producers? The taxpayers or the service eaters, the landlords or the tenants, the rich or the poor?

Even if we had a good plan, most New Yorkers seem to believe, we could never implement it: Salvation would be too painful for too many powerful interest groups. You can't save a city without goring an ox, one might say, and the oxen took over this city long ago. In New York this way of thinking about politics has become almost as automatic as despair. It is also beside the point. Worrying about the special interests is no way to come up with a solution because special interests, like vexed oxen, aren't goals, but obstacles.

Politics is supposed to be about the pursuit of the common good, and the goods and goals people have in common tend to be fairly simple. To save New York, we need a picture of what the good city looks like. It might surprise the special interests to discover that it is possible to paint a picture of New York that nearly everyone finds attractive. Having done so, translating that picture into reality becomes a less daunting task than we fear.

What would the city look like if it were "saved"? The answer is: pretty grand. Saving New York means restoring the natural order of things in which New York is not only the greatest and most important city in the world, but the city in which, on the whole, Americans would most like to live. It is a place of great wealth and culture, but also a place of great democratic virtue. It is a place where millionaires built their mansions right up to the sidewalk on main street, and also a place where working men in streetcars could make their way to the most extravagant expanse of greenery on the face of the earth, kept inviolate for the ease of those who could not flee to country villas at the drop of a hat.

New York has had bad times before. But it has also had better days. And what defined those better days was this: America's premier capitalist city was also a place where men and women of modest means enjoyed, in relative safety, the public amenities made possible by wealth. They reaped the fruit of bourgeois urbanity. Not all equally, to be sure. But in a city that was

---

Richard Vigilante is the editor of NY . . . *Allen Randolph is an associate editor at* National Review . . . *Mark Riebling is a writer and editor for the Manhattan Institute . . . Dennis Hirsch, a recent graduate of Yale Law School, is a law clerk for the Second U.S. Circuit Court of Appeals.*

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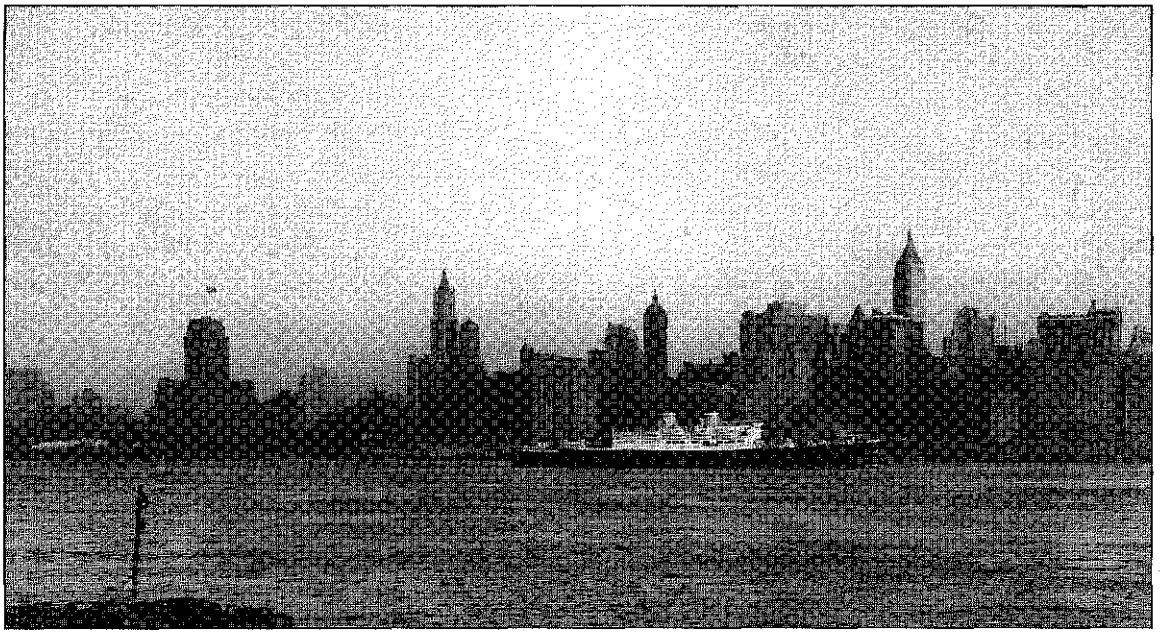
not only grand, but clean and safe and with the best urban school system in the country, a remarkable number of working people truly shared in New York's abundance.

What would the picture look like today? That's easy. New York at its best would have all the good things a great city can command. It would be clean and safe, even for children. One could sit in the parks in the evening as well as the daytime. The schools would work. One could move about the city with relative ease. All the basic services would work well: The streets would be pothole-free, the bridges would be safe, the water mains would not break at random, the garbage would be collected. The city would not only offer the benefits of cosmopolitan life, but being rich and generous it would even compensate its citizens for the stresses of that life by bringing the country here. There would be more parks and swimming pools, not fewer, and the people who used them would behave politely. One still might not want to be here on a summer's weekend in August, but every Manhattanite who was here would be in walking distance of a moonlight stroll on the waterfront (it is an island after all). And every borough dweller could get to clean, safe, amiable beaches, with well-run public bathhouses (Jones Beach has them: two bucks for a locker and use of the showers). The rides at Rockaway and Coney Island would still light up the night sky.

This is not a goal, you say, but a dream, a shining city on the hill? Well, one thing New Yorkers have to start doing is raising their sights.

Think of it this way: In the past decade developers all over the country built full-service condominium communities. You know the deal: Buy the townhouse and get the club and the swimming pool and the tennis courts and the basic services, including shipshape maintenance, too.



New York is far more wonderful than any preplanned condo development. But we could learn one thing from them: We are in a market—a people market. Maybe we need to start thinking of the city as one gigantic condo complex, where the amenities of gracious living are not an expense but an investment in our competitive position, in our ability to attract human capital.

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What about the poor? Where do they fit in? That is the really grand part of the scheme. In exclusive condo communities, only the rich get to use the pool or get protected by the private security force. But New York is one of the richest places on earth; we can afford democracy. If we spend our money wisely, there should be amenities and services enough for everyone. That was always the New York idea: thus CUNY, thus Central Park, thus the branch libraries and the subway and the public school system that were once considered the best in the country.

Can we do it? Yes. For although the overall picture is a grand and brightly colored panorama, its elements are fairly simple. The basic plan for achieving it could be written on a postcard. New York City is currently busy doing a great many things rather badly. If instead it did just a few very important things reasonably well, this city would have a new golden age.

The golden rule for city government is: Most things hardly matter at all to most citizens and a few things matter immensely. What are these things?

The first thing we have to do is to revive the local economy—and tax base; there is no way to run New York on the cheap. National recession or no, the overwhelming drag on New York's economy is high taxes. According to a study by Comptroller Elizabeth Holtzman, no Reaganite tax-cutter, New York tax rates are already so high that every $100 million increase in the local tax burden costs the city as many as 10,800 private-sector jobs. Her office estimates that future tax increases, which are supposed to bring in billions of dollars to balance the budget, will put so many taxpayers out of work that the city will actually net only 20 percent of what it expects. Other economists, including Peter Salins and Gerry Mildner, writing in *NY*, have shown that high property taxes on apartments and commercial buildings chase away businesses and destroy neighborhoods, particularly poor neighborhoods, as apartments are abandoned by defaulting landlords.

New York needs to lower key taxes almost immediately. We also need to get smarter about manipulating federal tax policy for the city's benefit. Say what you will about the capital-gains tax, which Democrats seem to love as much as Republicans hate, New York's economic interests are clear: A federal capital-gains tax cut would revive the financial industry, and that means reviving the New York economy.

The next thing on the agenda is the schools: If every year the school system got somewhat better rather than somewhat worse, that alone might within a few years "save the city." New York is full of thirtysomethings who are about to hit the highest-income, highest-taxpaying stretch of their careers, but are also planning to leave as soon as it becomes time to send their first child to kindergarten. For poor children the stakes are even higher: the difference between being able to read and figure and write correctly and being functionally illiterate.

We know how to do this: Under public-school choice, no student, no matter how poor, would be forced to go to one of the city's worst schools. Choice forces bad schools out of business when they can't attract enough students. It also allows teachers with real flair, talent, and dedication to emerge as leaders of new schools.

To say that choice is not a panacea is obvious, but to say that it is unproved is preposterous. Choice turned New York's District Four from the worst school district in the city to one of the best in Manhattan. Moreover, the right to choose is crucial to keeping middle-class taxpayers from leaving town. Not to have any choice about their children's education utterly violates middle-class parents' sense of who they are and what they have been striving for.

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School choice is an absolutely democratic reform, which benefits all citizens. The same can be said of the next thing we need to do: get serious about public safety and public order.

New Yorkers should be able to use the subways, streets, parks, and public spaces not only without fear but without loathing. To make New York's public spaces safe for the public, we need primarily a change in attitude. Both the city and its citizens must become much more intolerant not only of crime but of disorder and incivility. In addition to forbidding the usual crimes and misdemeanors, we have to forbid some bad habits that, if not stopped, will soon become established local customs: like defecating on the sidewalk, spreading tuberculosis in the subways, asking strangers for money, and littering pornographic literature in the streets, not to mention race-baiting.

Oddly enough, for all that New York politicians have talked about public safety over the years, the city still seems to be laboring under the idea that stopping crime and disorder is a special interest—that the police are a middle- or upper-class asset that must compete with such low-income assets as the municipal hospitals or welfare. This is absolutely wrong. Crime is an enormous toll on the poor that does more than any other factor to drive jobs, businesses, and capital out of their neighborhoods.

Making New York safe for all New Yorkers will not be cheap: Community policing is a great idea, but it involves lots of foot patrol and requires lots of policemen to be done well. If we really are going to refuse to tolerate not only murderers and rapists but also street toughs harassing old ladies, we are going to need a lot of cops.

After reviving the economy, fixing the schools, and restoring order, the next thing to do is to restore a sane housing market. The way to do that is equally obvious: Phase out not only rent control but the whole system of rental-housing regulations. The worst thing about rent control is not price regulations, but the accumulation of rules and bureaucracy that makes it terribly difficult for good landlords to get rid of bad tenants. In healthy neighborhoods, landlords serve a social function: In seeking to protect their property values, they exclude the sort of tenants who ruin communities. In New York this screening is almost impossible to do. The ones who suffer are those who live in poor neighborhoods or public housing, where evicting even drug dealers can be difficult.

What a start: If New York had reasonable taxes, if the economy were not going down the tubes, if the public schools were usable, if order reigned in poor neighborhoods and public spaces, if the search for a place to live were not a form of ritual torture, who would be talking about leaving New York? All these things are within our grasp. We are stopped from pursuing them not by any rational objection, but by our exaggerated sense of the power of special-interest groups, and a hoary political conservatism that paralyzes us when we think of making fundamental changes.

Yes, the city has money worries. But as Steven Craig points out elsewhere in this issue, our money worries arise almost entirely from the fact that New York is the only American city that is trying to run its own welfare state. If we brought New York's spending on programs for the poor down to the average of other large American cities, we could close the fiscal gap and have billions more besides for essential services.

We let basic services deteriorate because we want to help the poor. But the poor, more than the rest of us, need a safe, orderly city, with an economy that provides jobs, an education system that gives their children hope for the future, and public amenities to enjoy. They have nowhere else to go.

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We cannot now afford to give the poor "the good city" because we are spending our money on things almost no other city does and which, on net, do the poor little good: billions a year in welfare and Medicaid costs that in most places are a state, not a city, responsibility; a couple billion more (including tax expenditures) on a housing program we need only because we make it almost impossible for private landlords to serve the poor; $600 million a year in subsidies to a municipal hospital system that should be privatized. City hall cannot keep unwed welfare mothers out of poverty or bail out a housing market that it is busy punching holes in. But it can improve neighborhoods, fight crime on the streets, and reform the schools. Aren't good schools to go to and safe, clean parks to play in more important for poor kids than bad city hospitals? (Especially since we could almost certainly find someone else to run the hospitals.)

We could afford all these things—not only schools and cops, but parks and pools, museums and youth centers, clean streets and safe bridges—all the amenities of a wealthy city, and we could afford them for everyone, but only if we keep our eyes on the prize.

Saving the city is simple, as long as we remember that the list of important jobs city government can do well is fairly short, and the payoff for doing them well is enormous.

—Richard Vigilante

The Transit Authority's Forced Busing Program

On August 20, 1991, the New York City Transit Authority handed Al Manti, owner of a Brooklyn van service for commuters, a check for a cool $1 million. It was the spoils of war—a nine-year war of harassment the Transit Authority (TA) had waged to drive Manti out of business. Transit cops admitted in court that they had subjected Manti, who has a legal permit to operate vans between Bay Ridge and Manhattan, to constant surveillance: waiting outside his home and following him on trips to his second job

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(as a New York City fireman) and to the van yard. They even followed his mother to the grocery store.

Manti's van drivers received repeated citations, later thrown out in court, for such things as parking in front of a fire hydrant after being instructed by a TA officer to do so; operating uninsured or unlicensed vehicles, even though their permits were in order and had been presented to an officer upon request; and driving without a chauffeur's license, which is not required for van operation. According to Manti, transit cops regularly pulled over his vans during rush hour and held them for more than an hour, forcing passengers to sit and stew as other commuters on franchised and city buses went on their way.

In March 1991, Manti's saga reached the Appellate Division of the Supreme Court. The judge, citing possible civil rights violations by the TA, called for a full trial to determine the extent of damages to Manti's business. Under pressure, the TA finally threw in the towel, offering Manti $1 million to settle.

Manti's troubles received wide attention in the press, but he was not the Transit Authority's only target. Despite losing a battle to Manti, the TA's war on vans continues unabated: Van services are the target of a special New York City Transit Authority task force, which between July 1990 and May 1991 issued 4,219 summonses, amounting to more than $1.6 million.

The TA claims to be acting in the public interest, protecting unwary citizens from unlicensed, uninsured, and unsafe operations. "The city's interest is safety," declares Peter Greenberg, director of bus programs at the Bureau of Transit Operations.

In fact, the city's interest seems to be in eliminating competition, even when the competition is making life easier for New Yorkers. Despite TA harassment, private van services already help tens of thousands of New Yorkers get around the city every weekday. The vans specialize in neighborhoods where city buses and subways are rare, slow, inconvenient, or crowded and uncomfortable. These passengers prefer the van services enough to pay the higher fares they charge, even though many of the vans operate in poor neighborhoods.

Despite TA harassment, private van services help tens of thousands of New Yorkers get around the city every weekday

The TA does not like this. The city views van services as "a private enterprise cutting into a public enterprise," says Jeff Maclin, a spokesman for the City Department of Transportation. Accordingly, the TA has proved more than willing to use its official power to stop them. The TA's ticketing blitzes sometimes reach the level of harassment, as the court noted in the Manti case. It also tries to block the attempts of van owners to get licenses to operate legally. Since 1985, the TA has protested every one of the more than two hundred van-license applications. Although the protests rarely succeed, the forbidding application process itself effectively limits the pool of van operators.

Obtaining a van-service permit takes an average of six to eight months and requires legal counsel; costs typically exceed $1,500. Applicants must gather extensive documentation, including maps, client lists, financial data, and driving information, and procure three to five witnesses for an administrative hearing.

The high costs and complexity of this process explain why immigrant van operators often ignore the law and operate illegal-

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ly. These new arrivals see an opportunity in the inadequate transit service in the poorest sections of the city, and gain a financial foothold by operating feeder services to major subway and bus arteries. Of course, illegal operators have virtually no protection from TA harassment.

The TA has consistently refused to provide van services even with curb space for drop-offs or permission to stop for extended periods at pickup locations. Even when van operators have organized and asked to be included in citywide transportation strategies, as the Jamaica Avenue Van Association did, officials have turned a blind eye to their concerns, refusing to let vans have a designated space near the Jamaica train terminal.

The city's opposition to private transportation is selective: Private bus companies with city franchises receive millions of dollars in subsidies. These same private, subsidized bus companies are also official participants in the crackdown on vans. Their drivers serve as the eyes of the operation, spotting van operators and reporting them to the Transit Police. Thus the entrepreneurs who provide private van services must compete with an operation that not only has deep pockets, but its own police force.

The city's favoritism is hardly profitable. In addition to subsidies, the city gives franchised bus companies exclusive rights to operate in particular areas of the city. In exchange it gets only 3 percent of their gross receipts. Companies whose buses are wheelchair-accessible pay a mere 0.1 percent of gross receipts. In 1989 such fees yielded the city less than $1 million, while the subsidies cost the city more than $48.2 million. (Favored bus companies got another $44 million in federal and state subsidies.)

The future looks even more grim for would-be van operators. State Senator Roy Goodman (R—Manhattan) is sponsoring a bill giving the City Department of Transportation jurisdiction over van services. Under Goodman's bill, the Transit Police would have the authority to confiscate vehicles allegedly operating illegally. If this law had existed during the Eighties, Al Manti might never have had his day in court. The city could have summarily put him out of business simply by seizing his vans.

Why is the TA so vehemently opposed to competition? The answer, suggested by a January 1991 report by the CUNY Institute for Transportation Systems, is that pressure from labor unions makes it impossible for the TA to compete effectively. Output per worker decreased by 25 percent between 1960 and 1985, while wages and benefits increased 75 percent in real terms. Franchised bus companies are not much better off: Most of their unionized workers are entitled to the same rights and benefits as TA employees. The companies have little incentive to resist union demands. The city guarantees the companies enough in subsidies to keep them profitable, but if they annoy politically powerful unions, they risk losing their city contracts.

In the long or even medium term, the city would be better off encouraging the vans. A flourishing, highly competitive van industry, mostly nonunion and including a lot of owner-operators, might be just the thing to get more productivity out of transit workers in future contract talks, and would be very useful in the event of a transit strike. And van services are just the sort of easy-to-organize, low-capital businesses that attract underfunded minority and immigrant entrepreneurs, and in turn enrich their neighborhoods. Nevertheless, it seems all too likely that the combination of special-interest politics and TA heavy-handedness will crush an industry that offers both business opportunities to immigrants and transportation options to city residents.

—Allen Randolph

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Who's Warehousing Now?

Between 1989 and 1990, the number of properties seized by New York City for failure to pay taxes skyrocketed. Last year, in Manhattan alone, tax foreclosures leaped 150 percent, from 1,600 properties in 1989 to nearly 4,000 in 1990. The situation is bound to get worse before it gets better: Some 110,000 properties, representing 12 percent of the city's tax rolls, are currently delinquent. According to an estimate by the Rent Stabilization Association, based on City Finance Department data, 35,000 buildings have been delinquent 12 months or more and face imminent seizure. Add in the effects of a continuing real estate slump and the current administration's proposed property-tax hike, and it becomes clear that, for the next few years at least, city takeovers of private property will continue to rise rapidly.

The city is not just taking over record numbers of apartment buildings; it is refusing to let go of them afterwards. What does city hall do with a building seized for back taxes? In most American cities, the answer is obvious: Sell it and collect the taxes. But in the midst of New York's housing shortage and budget crunch, the city is, by its own admission, deliberately sitting on thousands of apartments, many of which are vacant. The city government, long New York's biggest landlord, has also become the city's biggest warehouser of vacant apartments deliberately being kept off the market.

By latest count the city owns some 2,950 vacant in rem (seized for taxes) apartment houses, though that number is rising almost every day. The total number of apartments in these buildings is difficult to ascertain because many buildings were sealed before a count was made, but it may be as few as 38,000 apartment units (the city's best guess) or more than 70,000 units (according to calculations by academic economists).

The city has not always stockpiled buildings like this. As recently as November 22, 1976, nearly five hundred in rem buildings were sold in a single evening at an auction in the Statler Hilton Hotel's Terrace Ballroom, where bidders clutched red-white-and-blue guidebooks reminding them that "an investment in New York City is an investment in America." By contrast, during all of fiscal 1990, the city auctioned off only 89 properties.

Over the past 15 years, the city's Department of Housing Preservation and Development (HPD) has become extremely reluctant to auction off tax-foreclosed buildings. The reasons appear to be largely ideological: HPD has developed a fixed hostility to private landlords, preferring instead the slow, cumbersome, and expensive process of rehabilitating buildings itself and selling them for a nominal fee to tenants and nonprofit organizations.

During the Koch administration some vacant buildings were returned to the tax rolls through the city's Private Ownership Management Program (POMP). Under POMP, private real estate firms contract with the city to manage and (with the help of city subsidies) rehabilitate in rem housing. Between 1984 and 1989, the number of apartments returned to the city's housing stock through POMP increased steadily from 38 to 277 buildings. It appears even that small trickle of housing may soon be dammed: In fiscal 1990, only 209 of the 372 buildings scheduled to be privatized through POMP actually were. The Department of Housing Preservation and Development (HPD) plans to scale back new POMP contracts even further during the current fiscal year, to less than 30 percent of the 1990 targets. Next year POMP may be eliminated altogether.

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"Buildings that would have been sold through Auction Sales in the past will now be developed under [city] rehabilitation programs," announced the September 1990 Mayor's Management Report. HPD has "redirected resources toward not-for-profit and tenant-based ownership programs."

It is an expensive plan, one that costs the city money in two ways: First, the city practically gives away valuable assets, selling the apartments to tenants and nonprofits for as little as $250 a unit, or as little as 2 percent of their unrenovated market value. Second, according to the Mayor's Management Report, the city spends an average of $27,000 to renovate apartments.

Because this process is expensive, it is also necessarily slow, forcing the city to hoard scarce apartments while it comes up with even scarcer dollars to renovate them. In fiscal 1990, HPD's Division of Alternative Management planned to start work on 6,646 units in need of "moderate rehabilitation," but only began renovations on 1,527; it planned to finish rehabbing about 212 units, but could complete only 112. Meanwhile the number of vacant, decaying buildings owned by the city continues to rise.

The principal reason, according to the Mayor's Management Report, was a deliberate change in policy: HPD ran out of money to renovate buildings because it redirected 4,100 units from the POMP program to the nonprofit Community Management Program, where, the city admits, housing starts cost more per unit. In the middle of the twin housing and budget crunches, the city is consciously pursuing a policy that costs more while returning fewer apartments to the housing supply.

Nor does HPD plan to sell many in rem properties anytime soon. No apartments have been auctioned this year and in all probability none will be, since HPD's overall goal, according to the Mayor's Management Report, is promoting "tenant or locally based ownership."

"We could sell these units and make a lot of money, sure, but we would lose control," says Kaphil Bhati, supervising analyst at HPD. "We don't want some guy coming and buying from us and selling them three or four years later at a higher price. We want to be able to specify what building management can and can't do. We want control."

The costs of the city's desire for control are high. Idling fifty thousand units or so, which perhaps 200,000 New Yorkers might call home, makes little sense in New York's perennially tight housing market. Potential residents are not the only victims:

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Neighbors and neighborhoods are paying a heavy price for the city's delinquency in returning buildings to the market. Vacant buildings are a burden on even upscale neighborhoods such as the Upper West Side, where a boarded-up window is an open invitation to vandalism, crime, prostitution, and crack. By effectively warehousing vacant buildings, the city pulls down stable neighborhoods, retards renewal efforts in others, and increases the supply of crackhouses. On these grounds alone, one would think the city would place a high priority on quickly funneling as many vacant buildings back into the housing stock as possible.

When the fiscal effects of the city's policies are added in, the case for auction becomes overwhelming. How much would the city stand to gain by selling off in rem properties? It is hard to say with any degree of certainty, but the best estimate is close to $2 billion. Consider first the value of the property itself. The average city apartment unit is tax-assessed at about $16,000 per unit, according to a Rent Stabilization Association estimate. Assessments are fixed by law at 45 percent of market value, placing the value of the average apartment at about $36,000. Many in rem buildings have been allowed to deteriorate considerably while under city ownership, rendering their real market value uncertain. Still, if one conservatively estimates the average market value at $20,000 per unit, the city could reap a one-time windfall of $1 billion from the sale of fifty thousand vacant apartments.

Of course, most in rem buildings would need to be decontrolled before auction, since controlled rents drove most of these buildings to abandonment in the first place. If that proves politically impossible, the city could at least raise the rents to reasonable levels—as the city's 7a administrators are allowed to do when managing occupied in rem housing—before selling the property.

Then there is the question of property taxes. Vacant buildings pay no taxes, and most of the programs that distribute units to tenants or nonprofit community groups carry substantial tax abatements. At 45 percent of each property's value, the current tax rate of 9.885 percent would yield some $45 million yearly. Since private developers would rehabilitate the housing, adding to its value, the property-tax collections in the medium term would probably be higher —perhaps much higher.

The city could reap a one-time windfall of $1 billion from the sale of fifty thousand vacant apartments

Factor in the savings from the fifty thousand apartments that HPD will no longer rehabilitate at $27,000 per unit, and the city could realize another $1.35 billion.

Rehabbing a few hundred apartments a year will not make a dent in either the poor or the average New Yorker's housing situation. By contrast, selling off in rem properties helps maintain neighborhoods, enlarge the housing stock, and balance the city's budget. It may even allow the city to collect back taxes, which is the ostensible reason that the owners were stripped of the property in the first place.

In any case, freeing up more housing for New Yorkers would seem a better way of balancing the budget than cutting back on street cleaning, park services, road maintenance, public libraries, and schools.

—Mark Riebling

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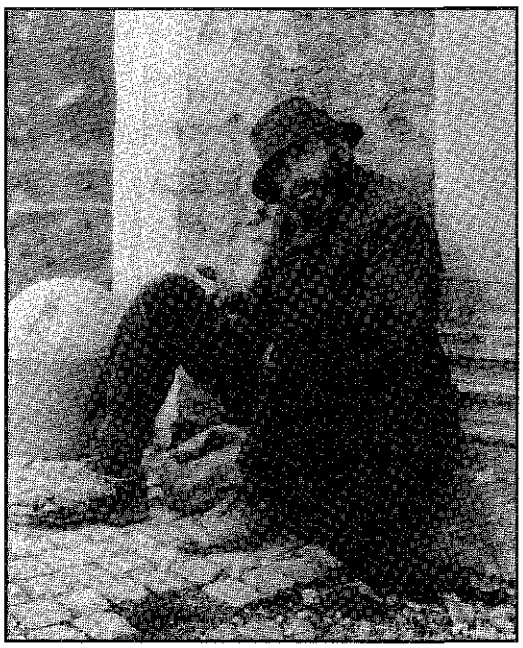
Workfare for the Homeless

Most government shelters for single homeless men in New York City are horrible. This axiom, which no one seriously debates, has produced a corollary: No one in his right mind would sleep in a shelter unless he had to. For ten years, that presumption has remained undisputed, leading many to believe that policies such as workfare, designed to instill individual responsibility, have no relevance for the homeless. Such programs are not necessary, they infer, since anyone who could move out of the shelters already has more than enough incentive to do so.



Developments over the past decade, however, challenge these conclusions. First, the number of single adults using the shelter system has jumped—from fewer than two thousand per year in 1978 to well over nine thousand in 1989, before leveling off to a little more than eight thousand in 1991. The cost of sheltering single adults has grown even more rapidly, from $6.8 million in 1978 to $185.7 million for fiscal year 1991.

Even more importantly, the mix of shelter populations appears to be changing. A 1982 Human Resources Administration (HRA) report, for example, found that almost one-fifth of the homeless men interviewed "had in the past been able to function at quite high levels, both occupationally and socially," and that many did not appear to suffer from any present disabilities. By 1988, the number of apparently competent men living in shelters had grown substantially. In that year an HRA report found that fully one-third of the single adults using the shelters were "employable," meaning that they did not suffer from any major barriers to employment, such as serious psychiatric, medical, or substance-abuse problems, criminal histories, limited education, or lack of work experience.

These employable residents would seem to be good candidates for programs stressing individual responsibility. The tragedy, however, is that the current shelter system, instead of offering such programs, encourages dependency, leaving thousands of able-bodied, able-minded men and women to a marginal, troubled existence.

This phenomenon is described in a 1988 study by the New York Psychiatric Institute, in which almost half of the shelter residents interviewed saw the shelter as their permanent home. The study reports that even shelter residents without mental or physical disabilities eventually gave up hope of returning to life on the outside. During their stay in the shelters, residents of all types "eventually gave up the battle and adjusted to permanent living in the shelter system."

A 1990 study by a pair of researchers, one a professor of clinical psychiatry at Columbia University, shed further light on the dynamics of this "shelterization" process. According to their research, it is precisely the harshness of city shelters that causes residents to lose individual drive. To

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survive in such a difficult environment, a resident must adapt through "the assimilation of shelter themes, the acceptance of shelter ideals and beliefs, and an eroding will." As time passes, "the shelterized resident has increasingly low self-esteem, loss of will and hope, a lack of interest in self-improvement, and a sense that he has no control over his life." Once a resident reaches this point, the shelter becomes his home; he has little hope of leaving and little motivation even to try.

How can New York City's shelters combat shelter dependency among the employable homeless? The city needs to take a cue from successful, cost-effective "workfare" programs by investing in improved employment training for the employable homeless and requiring them to participate. Some of New York's private shelters recognize this. The Partnership for the Homeless, for example, runs a small shelter at St. Paul's Chapel that has been particularly successful in helping employable residents take on personal responsibility. Residents sign a contract agreeing that, in exchange for the shelter and other services provided, they will work toward stated individual goals. The goals usually include getting a job and an apartment, but may also include job training or education. Those who abandon their goals must leave the shelter. For the most part, according to Pat Burton-Eadie, director of the shelter at St. Paul's, the men stick to their programs. Ms. Burton-Eadie estimates that 85 percent eventually get jobs, ranging from driving trucks to working in construction.

The director of the St. Paul's shelter estimates that 85 percent of the residents eventually get jobs

Many city officials, past and present, have also recognized the need to provide incentives for homeless adults. Karen Davis, former director of operations for the New York City Adult Shelters, concedes that "any way of introducing more structure would be helpful. We need to start creating some requirements, since right now we ask nothing of our clients." Employment-related requirements make sense, Davis believes, so long as they include meaningful job placement and skills training.

The city, however, faces a problem that private shelters do not: the terms of the *Callahan* v. *Carey* decree, the New York Supreme Court ruling that governs the city's shelter system. The *Callahan* decree arose out of a lawsuit brought in 1979 by a group of attorneys operating under the name of the Coalition for the Homeless. Their class-action suit on behalf of homeless men against the City and State of New York sought to establish a legal right to shelter. The lawsuit turned on the notion—perhaps true then but certainly not true today—that practically all the homeless are severely incapacitated.

Article XVII of the New York State Constitution states: "The aid, care, and support of the needy are public concerns and shall be provided by the state." Since almost all homeless men in New York are incapacitated by mental illness or substance abuse, the coalition argued, they are "needy" under Article XVII, and the government must provide them with food and shelter on request. The coalition also relied on sections 62 and 131 of the state Social Services Law, which require state and local officials to "provide adequately for those unable to maintain themselves." Justice Tyler, presiding over the case in New York

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Supreme Court (New York's trial court), accepted the coalition's view of the homeless. The plaintiff class, he wrote, was "largely composed of individuals with histories of alcohol abuse, drug abuse, mental disorder, or combinations thereof. These conditions . . . seriously preclude or prevent independent functioning." He issued a preliminary injunction requiring the city to provide food and shelter on request. The city then signed a consent agreement, now known as the *Callahan* decree, creating an unconditional right to shelter.

The unconditional nature of the right to shelter is what really ties the city's hands. While New York can provide job services to the homeless, the *Callahan* decree bars the city from using the only meaningful sanction at its disposal to ensure participation: declining to provide a bed to employable residents who refuse workfare.

To give the employable homeless an incentive to participate in job programs, the city currently relies, not very successfully, on a program known as "specialization." After assessing new shelter applicants, the city assigns those judged employable to one of three specialized "employment shelters" that offer job services. Before entering the shelter, the new resident works out a "program contract" with a caseworker, in which he agrees to abide by a service plan. In theory, if the individual fails to live up to this service plan, the city can transfer him to a regular shelter, which is supposed to have fewer amenities.

Even at best, "specialization" would only help the self-motivated homeless; under *Callahan* employable homeless who have become "shelterized" would still be guaranteed room and board. In practice, specialization is even less effective. The main employment shelter, located at Sumner Avenue, is a no-frills, barracks-like facility. The threat of transfer out of Sumner Avenue to a regular shelter therefore means little to the residents. Nor can the city necessarily carry out even this weak threat, since administrators of other shelters are often unwilling to accept transferees, whom they see as difficult clients.

How can New York get around *Callahan* and help the employable homeless? The answer is straightforward: Go back to court and seek a modification of the decree, permitting the city to condition the right to shelter of the employable homeless on their participation in employment and training programs.

The city's chances of winning are high. New York courts have held that such decrees can be modified "with a rather free hand." Under New York law, an employable person who refuses to participate in job programs is not "needy." New York State's highest court conclusively decided this issue in *Barie* v. *Lavine* (1976), in which it ruled that "the Legislature may in its discretion deny aid to employable persons who may properly be deemed not to be needy when they have wrongfully refused an opportunity for employment." Nor, the court concluded, did section 131 of the Social Services Law pose a bar to such a policy. Those who refuse to take part in programs designed to help them attain self-sufficiency cannot, the court affirmed, be described as "unable to provide for themselves."

The *Callahan* decree is ripe for modification. As so often happens when social policy is litigated rather than legislated, changing circumstances have outpaced the slow movement of the judicial system. Justice Tyler's 12-year-old opinion was based on the then-prevailing fact that almost all of the homeless were seriously incapacitated. Today, however, one-third of the homeless living in New York's shelters are employable. Providing the most effective aid to these people requires a new approach. Revising the *Callahan* decree is the essential first step.

—Dennis Hirsch

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Liberalism and the City

• NEW YORK CRITICAL ISSUES COLLOQUIUM •

July 10, 1991

The participants in this issue's Roundtable all have something in common: Without abandoning liberalism, they have been trying to figure out why many liberal prescriptions seem to have failed, and contributed to the decline of the city. They are searching for a new politics that is both true to the historic goal of urban liberalism—making the city a good place for Americans of modest means—and that also frees liberalism from its recent, dogmatic hostility to bourgeois values. To save the city (and liberalism), they suspect, New York needs to take seriously the bourgeois aspirations of liberalism's historic constituency—the people whose parents looked upon LaGuardia and Roosevelt as heroes.

In this roundtable, they explore not only liberalism's mistakes, but also what the liberal tradition has to offer New York in the Nineties.

NATHAN GLAZER: Most of us in this room still consider ourselves liberals. The key question for all once-and-future New York liberals is: To what extent are New York City's problems and the problems of other American cities owing to liberalism? And to what extent can liberalism's great fund of compassion for the poor and oppressed be drawn upon for new and more effective policies?

FRED SIEGEL: Nathan, I'd like to start by offering an overview of where we are now. Big-city government and big-city liberalism live on in New York. But both are in trouble.

It was Franklin Roosevelt's political genius to clamp together a coalition of private-sector unions, public-sector patronage machines, and urban liberal reformers to create modern American liberalism. He built this coalition in part by breaking the mold of American federalism: bypassing the states to give direct federal aid to the cities, fueling the urban activism of men like Fiorello LaGuardia with federal money.

In the Sixties urban liberalism was invigorated by LBJ's Great Society attempt to complete the American welfare state. This second phase of liberalism was built around the needs and agenda of racial minorities and public-sector unions. The public-employee unions became the organizational core of the new Democratic Party in New York City.

But this second-phase New Deal liberalism was based not only on massive financial aid for the urban poor, and a tremendous growth in the power of city employees, but also on the moral deregulation of personal and social life. This attempt to stitch together a radically individualistic civil libertarianism with a full-blown set of social

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services didn't fare nearly as well as its predecessor. Both have imposed huge costs on the city, and both have accelerated the flight of talent and capital to the suburbs.

Middle-class citizens, rightly or wrongly, have become convinced that modern liberal urban government is mostly about letting the poor misbehave at the expense of the middle class, and paying public employees very well to deliver services very poorly.

Today we are at a watershed. The alliance between liberalism and public-sector unions achieved in the 1960s is fraying, not just in New York, but throughout the Northeast. The liberal/public-employee alliance in New York and New Jersey is coming under the fiscal pressures of the "new federalism" that has dramatically restructured federal/city relations by sharply reducing direct federal aid to the cities. The old deal does not seem to be working for anybody: the people who are paying for the services, the people who are supposed to be receiving them, or even, because of reductions in aid, the people who get paid for delivering services.

Alan Ehrenhalt is executive editor of *Governing Magazine* and author of *The United States of Ambition* . . . **Nathan Glazer**, co-chairman of *NY*'s editorial board, is a professor of education and sociology at Harvard University . . . **Elaine Kamarck** is a senior fellow at the Progressive Policy Institute . . . **Joe Klein** is a political columnist for *New York* magazine . . . **Charles Morris** is a former director of Welfare and Medicaid for New York City and author of *The Cost of Good Intentions* . . . **Jonathan Rieder** is chairman of the Department of Sociology at Barnard College, Columbia University and author of *Canarsie: The Jews and Italians of Brooklyn Against Liberalism* . . . **Fred Siegel**, a professor of history at Cooper Union, is writing a book on the decline of American liberalism . . . **Jim Sleeper** is a member of the editorial board of *New York Newsday* and author of *The Closest of Strangers: Liberalism and the Politics of Race in New York* . . . **Sol Stern** is a senior policy adviser to New York City Council President Andrew Stein . . . **William Stern**, a businessman, was chief executive of the New York State Urban Development Corporation and finance chairman of the 1982 Cuomo campaign.

CHARLES MORRIS: Yes, Fred, but there is one problem with this "breakdown of urban liberalism in the city" paradigm. Most cities are doing really well in this country. The typical city is a city of up to 600,000 people that basically works. Visit Milwaukee; visit Charlotte; visit Columbus, Ohio; visit Pittsburgh; visit San Diego: These cities mirror the population of the country—about 10 to 12 percent black, 5 percent Asian, and 85 percent white; they don't have a huge underclass; both taxes and services are reasonable.

About a month ago a liberal economist said to me, "People in this country still have a dream that they live in a frame house with a white picket fence and they drive to work." I said, "Hey, I got news for you: That's what people in this country do." People in places like Columbus, Charlotte, and Pittsburgh live in frame houses and drive to work.

But there are five or six cities that are obsolete, ancient, hulking, skeletal wrecks. This city is going to turn into one fairly soon. Places like Philadelphia and Chicago are essentially nineteenth-century organiza-

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Elaine Kamarck

tions—cities that came into their own as a result of what we are calling urban liberalism. These hulking wrecks are in trouble. But we shouldn't confuse the hulking wrecks with American cities in general, because most cities are doing well.

ELAINE KAMARCK: There is something obsolete about the government structures created by second-stage liberalism. Fred's "second stage" created a new class of players in the business of liberalism: service providers—huge numbers of service providers, very well organized, and very active in politics, on school boards, in social work, etc.

Service providers have a particular view of the world: If there is a problem, first you make up an agency with the name of the problem to solve it. Then you license service providers to do the agency's work. Next, you have to trace what happened to the public money paid to these service workers, and then you have to make sure that what the agency says happened actually happened. Before you know it, the government is spending gobs of money on a new bureaucracy and the problem is getting worse. As the problem worsens, the service providers' response is, "Oh dear, the problem got worse: We need more money."

Actually this second stage of liberalism came to a screeching halt in Congress in 1990. The seminal moment occurred when Congress rejected the original ABC child care bill and substituted an entirely different approach to day care.

This is what happened: During the campaign of 1988, politicians started noticing that families were worried about day care. So the Democratic response, emblematic of the old school of liberalism, was to create a day-care initiative, the ABC bill. The initial ABC bill would have created an office of day care in the Health and Human Services Department. It would have licensed and regulated day care and established training requirements for day-care workers. It was enormously expensive. It was a service provider's dream.

I can't tell you the number of times service providers who knew I opposed the bill asked me in a shocked tone of voice, "You mean you wouldn't want the same level of training for somebody who cares for your children as somebody who takes care of your dogs?"

I said, "No. The best service provider I ever had came from El Salvador, hadn't graduated from high school, couldn't speak English, and she was great. So forget the bureaucratic credentialing business."

The original ABC bill was the apotheosis of old-style liberalism. It died. A generation of younger Democrats, like Tom Downey, who is certainly liberal, rebelled. These liberals took all the money that would have gone to sustaining a day-care bureaucracy and put it instead into the earned-income tax credit, so families could arrange their own day care if they chose, or make other arrangements.

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I tell you this rather long story because I think it was a turning point, certainly in Congress, against a certain instinct of government which is still alive and well in cities like this one but which turns off more and more voters every single year.

JOE KLEIN: Yes, the striking thing is that liberalism has come to be more about institutions than about human beings. It's more about the preservation of bureaucracies than meeting the needs of individuals.

These five or six old hulking wrecks of cities that Charles Morris mentioned are industrial-age relics in a post-industrial economy. Their bureaucracies are anachronistic as well, built on industrial-age, assembly-line principles: top-down, centralized, devoted to creating efficiencies of scale. In the information age the paradigm isn't the assembly line, but the decentralized, flexible computer network. As Florida's new governor, Lawton Chiles, has said: "Government is the last institution in society to enter the information age."

The striking thing is that liberalism has come to be more about the preservation of bureaucracies than the needs of human beings

The irony is that some of the older institutions of the progressive, pre-New Deal era are now more appropriate than bureaucracies for the information age. The settlement house, for example, was a decentralized way of providing customized services for poor immigrants. The future lies in a movement away from centralized bureaucracies and toward more choice, toward more individual attention to customers, or recipients, or whatever you call them.

NATHAN GLAZER: Before we all get too enthusiastic about the prospects of abandoning the bureaucratic model of government, let's not forget how service-provider cuts are treated in the media: An 80-year-old arthritic black lady will no longer get a hot meal provided every day at noon. I recently spoke to a conference at the New York Academy of Medicine. It was obvious that doctors, nurses, and health experts were trying to cope with inadequately staffed hospitals overflowing with patients. Try to tell those people that the answer is not to add more doctors, nurses, health supervisors, janitors. They'll tell you you're crazy. In the abstract, abandoning the bureaucratic model sounds great, but then again there is the overwhelming reality of those pressing social needs.

ELAINE KAMARCK: The answer is not to ignore the need for day care or the need for hospitals but to look for a new model to deal with the problem. Take the vast middle class who are worried about day care. What they really need is more money. That is all they need—money. If they have money they can afford day care.

The service-provider model may be very important for certain distinct segments of the community, those which have a lot of needs and not many resources. What has killed liberalism is that the service providers have sought to impose that model on the rest of the society, which doesn't need it and rebels against it.

SOL STERN: As the only practicing government bureaucrat at the table, I want to deal specifically with the two areas you raised, Elaine. What do you do for the people who desperately need day care, who need hospital care, but can't afford it? The way the City of New York tries to

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help such people is an absolute, unmitigated disaster.

We have a public hospital system with 13 hospitals and various clinics that are run like the Soviet Gosplan. It's probably the only central command economy left in the world today, and it is impossible to run rationally. Recently the city had to cut several hundred million dollars from the hospitals. They just wiped out entire services because they didn't know how to do it any other way. New York has a system in which individual hospitals have absolutely no incentive to do a better job, collect more revenues, or provide services more efficiently, because it won't make one penny difference in their budgets for next year. As a result of this, the Health and Hospitals Corporation is owed something like $600 million, much of which is money owed by patients who are eligible for Medicaid. But instead of collecting, we make up the gap by cutting services from a list, damning with a red pen people we should be helping.

New York has a public hospital system that is run like the Soviet Gosplan: It's the only central command economy left in the world

There are similar problems with day care. New York is actually flush in day-care money: Because of welfare reform and several other federal bills, there is at least $70 million available. You would think we would be able to enormously expand our day-care slots for poor kids. But it won't happen because the city bureaucracy is not even competent enough to get money currently available from federal sources.

So why not think about decentralizing the hospital system, or spinning off some hospitals as not-for-profits? What's wrong with a voucher system for day care? If you make such proposals, however, many otherwise sophisticated people will react in horror—"Oh no, you can't do that; that's *conservative*"—even though everybody at the table is a fed-up liberal. But they can't let go. In other words, the real problem with New York is its political culture, which stifles innovative solutions.

WILLIAM STERN: I think we could go on outlining the problems with New York City government: the racketeering that goes on, the power-brokering, the fact that agencies exist for the people who work there and for the vendors, not for the people they are supposed to help. It is like something out of a Kafka novel. But the core of the problem with liberalism is something else. The conclusion I've come to is much the same as that of John Paul II and Solzhenitsyn. The problem with liberalism is materialism.

It seems to me what the liberals have always said, and what some conservatives seem to be saying now, is that life's problems are at base material. Social problems always seem to lend themselves to material solutions. So liberals say to parents, "Want better education? Spend more money," rather than saying, "Pay more attention to your child and you might get a better-educated child."

What happened in the 1960s, which Fred Siegel called moral deregulation and I would call a kind of disguised paganism, has led to horrendous social problems that don't lend themselves to material solutions. Therefore, not only will liberalism fail, but so will the kind of conservatism that says: Give vouchers, give private ownership to

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people in public housing, and our problems will disappear.

NATHAN GLAZER: You are saying the moral foundation for these market proposals doesn't exist today?

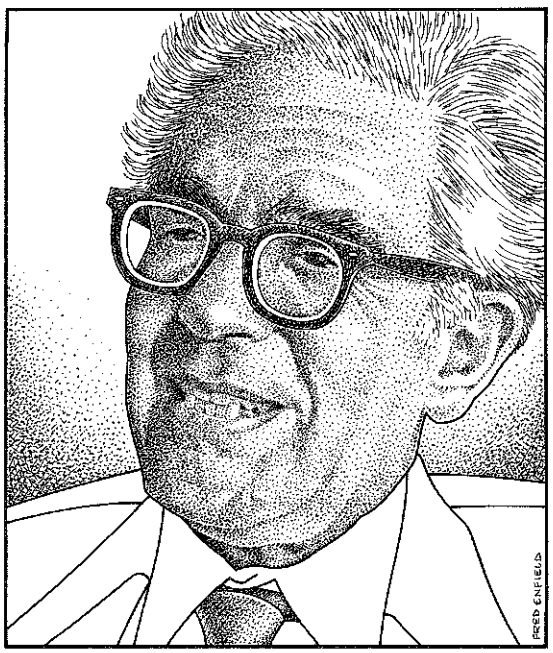
JONATHAN RIEDER: Our moral foundations have shifted. The Sixties marked a major change in the sensibility of liberalism. Liberalism emerged as a righteous and patrician upper-middle-class endeavor, at odds with both the pragmatic bread-and-butter ethos of the New Deal and the gritty, plebeian spirit of working-class ethnic neighborhoods, which includes the communal sanctions that keep people on the straight and narrow path.

ALAN EHRENHALT: There are lots of American cities doing fairly well economically. But to my knowledge, in most of those cities—even in Cleveland, which has come back economically, even in St. Louis—there are still profound social problems. They are the result of larger changes in American culture over the last twenty years: the triumph of individualism; the decline of authority in communities, families, schools, and law enforcement; the whole egalitarian ethic.

The egalitarian ethic, for example, has created the sense that middle-class solidarity is no longer appropriate, that middle-class people are no longer entitled to separate themselves physically or even morally from those who are unlike them. But cities need middle-class solidarity in order to function. When it is considered illegitimate for people to separate themselves by class in any way—and busing is the great symbol of that—cities are no longer comfortable places for most people who live in them, regardless of what class they belong to.

CHARLES MORRIS: There is a relationship between the adoption of the bureaucratic model and the breakdown of values. It isn't an accident that liberalism has become saddled with both ossified bureaucracies and fluid morals.

Liberalism reached its canonical form in the 1920s, much of it heavily influenced by John Dewey. The question driving liberalism at that time was, "How does one get the same sort of logic, coherence, and efficiency that we have in U.S. industry into the social sciences?" There was a whole move toward "scientific" social policy. However, as Irving Fisher said in the 1920s, the only possible science of human action is



Nathan Glazer

marginalist economics, which necessarily assumes that values are just preferences. So the move towards rationalizing social policy leads to the notion that values are just choices. This was true of both liberals and conservatives: One of the most influential people in this movement was Milton Friedman, who in the 1950s was writing a lot of very influential essays about positivist economics.

In the Sixties and Seventies scientific interventionists, the men who ran the War on Poverty, had their day in the sun, and

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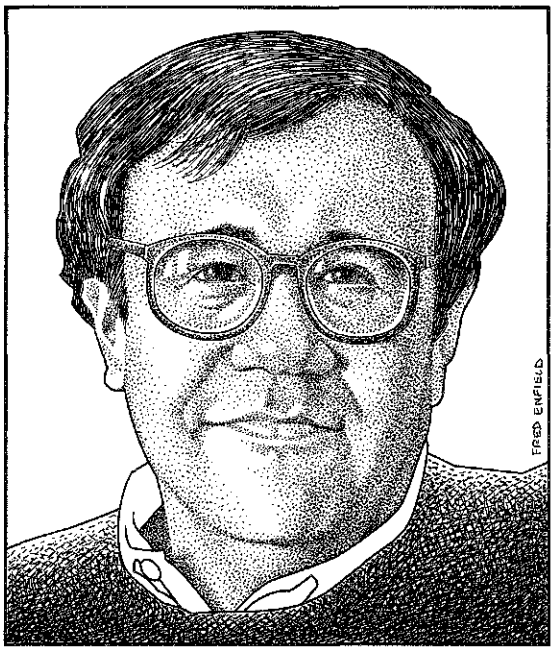

Jim Sleeper

they failed miserably. All that remains of their faith in scientific social policy today is this one idea: that all values are just somebody's choice; and its corollary: that all choices are equally valuable. Both left and right are living within the confines of this atomized individualism. The difference between left and right is that to the left individualism means doing whatever you want, while to the right it means getting as much as you can. It is unbridled behavior versus unbridled acquisition.

New York City tried more social intervention than any other American city. It failed. The problem with most of the failed liberal programs is not that they spend too much money intervening, but that they spend so much money cleaning up after behavior that they refuse to stop—be it crime, vagrancy, drug abuse, or even littering on the street. New York City's current social policy is based on the presumption that you can do whatever you please and it is the city's job to pick up after you.

ELAINE KAMARCK: Bureaucracy's top-down structure is in fact linked to its inability to act with any sense of values or morality. We know from social science research that many social problems are value-laden. Unmarried mothers, for example, are far more likely to have low-birth-weight babies. That is just one example; there are a lot of areas where the root of the social problem lies in behavior and moral values. Bureaucratic structures have proved unable to use this new information, and this inability has contributed to mass public loss of confidence in liberalism.

JOE KLEIN: I'm struck by the fact that liberalism has focused exclusively on either institutions or groups: either the bureaucracies of government, or the group rights of minorities. Liberals talk about individuals as having rights, but never responsibilities. The place to begin building a new liberalism, a post-industrial liberalism, is from an ethic of individual responsibility. It is only when people are required to be responsible for the values that govern their own lives and their children's lives that we can start building communities and start taking communal action to help those who can't take care of themselves.

FRED SIEGEL: There is a lost tradition to be drawn on in reconstructing urban liberalism: Progressivism. There is much to criticize in Progressivism, but the Progressives were, in many areas, far more successful than we have been. It was the Progressives who began to clean up the filthy and disease-ridden nineteenth-century cities. They took garbage collectors and put them into uniforms to really declare war on the cities' trash-strewn streets. It was the Progressives who developed the settlement houses that were so successful in integrating new immigrants into American society. Progressivism represented a middle-class liberalism that tried, unlike some contemporary forms of liberalism, to strengthen the connection between character and success.

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Prohibition, largely forgotten or dismissed, was an example of Progressive reform gone partially awry. Prohibition collapsed of its own excesses because it tried in an unliberal way to completely eliminate rather than divert and rechannel vice. But Prohibition as a Progressive movement attempted to connect individual questions of character with the quest for a better society. It attacked drunkenness not only as a sin (a dubious proposition), but as a threat to the well-being of the community.

Some of the most prominent Prohibitionist leaders like William Gibbs McAdoo, who was the political heir of William Jennings Bryan, Al Smith's rival, and a key player in winning the nomination for FDR in 1932, stressed what we think of today as the social-democratic side of liberalism: the need for community and mutuality. "There is no such thing," wrote one of his supporters, "as an absolute right to do any particular thing . . . if that thing undermines the common good." That connection between character and community was split apart in the 1920s and, much to the disadvantage of contemporary liberalism, has never been put back together again.

Why can't New York City government adapt to new conditions as well as the Progressive-era city? Part of the answer is that the old political machines were, for all their corruption, far more responsive to changing needs than our civil service bureaucracies.

Part of the reason bosses could adapt was that there was an implicit bargain in being a city worker. Most of the time you did not work very hard, but you were willing to work cheaply because neither Albany nor Washington would subsidize the city. But when people really needed you in a neighborhood, you had to do the job—or risk losing their votes in the next election. Today the service of forcing city government to act, once provided free by the clubhouse, is paid for at taxpayer expense through the clumsy mechanism of the courts and Neighborhood Legal Services.

Today's workers are both enormously expensive and almost entirely unaccountable. Like a headless nail, they are in place for life, regardless of the job they do. Here in New York we have had to resort to "shadows": hiring a second person to do the work of an entrenched employee who can't or won't do the job.

New York is paying the price of being a pioneer. We are the England of social services, unable to adapt to new conditions

New York is paying the price of being a pioneer. We are the England of the social services revolution. We were the first with public housing, for instance; the federal programs were based on our models. We've generally, and often rightly, been proud of this past. But that has made us unable to adapt to new conditions. The attitude you get when you talk to some otherwise highly intelligent people in city government is that they would rather "go down with the ship" than acknowledge that real change is needed in the way the city does business. The idea that New York, once in the vanguard, has now been bypassed is simply too much for many to bear.

NATHAN GLAZER: New York is the great holdout on privatization. Even Chicago is way ahead of us. But, remember, privatization is basically replacing expensive workers with cheap workers.

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JOE KLEIN: The most tragic part of being the "England of social services" is that the nature of poverty has changed. The public housing projects in New York were created for intact families. The social welfare system was created at a time when the poorest people in the society were the elderly; now the poorest are the children of single mothers. A new kind of poverty has grown up over the last 25 years, and this city is stuck with institutions created for a poverty that hasn't existed for half a century.

JIM SLEEPER: The social disintegration and extreme poverty we're talking about did exist to some extent in this city in the nineteenth century, long before anything that we now recognize as liberalism or Progressivism. I'm still nagged by the same question that I feel every time I read one of William Tucker's articles about rent control. We had no rent control in the nineteenth century, and yet we had the conditions described by Jacob Riis. We had a perfectly free housing market, yet we still had tenement slums. Obviously the conditions we face now are in some ways much worse than in the nineteenth century. That really puzzles me, but I wonder if liberal bureaucracies are at fault.

For instance, we haven't yet mentioned jobs and economic change. Those service providers, after all, are providing services in large part to people who came north after World War I to participate in an industrial economy that has disappeared. The five or six hulking wrecks that we're talking about are the cities which, like New York, attracted hundreds of thousands of people to participate in a vanished industrial economy. We have industrial-style service bureaucracies still ministering to those people, but we don't have the industries. The fact that New York lost 600,000 entry-level manufacturing jobs has to explain some of the social problems. I realize I'm wrenching us back to a very material level.

NATHAN GLAZER: Just because the issues are moral and spiritual doesn't mean there isn't also a material element.

JONATHAN RIEDER: That's right. In emphasizing these moral aspects, we have to be careful not to ignore the material aspects, such as the effect on poor blacks of the changing profile of jobs in our most troubled cities. As the social scientist Mercer Sullivan reminds us in his book *Getting Paid*, Italian kids and Polish kids are out hitting heads just as are their black underclass counterparts, yet as adult men the white ethnic kids manage to stay out of the underclass. The answer, he finds, is that white ethnic working-class teenagers have a network of job recruitment that gets the kids to the job. The blacks are left behind, whereas the whites still get to the job market.

There is one crucial difference between nineteenth-century poverty and today's poverty: the desire to assimilate

William Julius Wilson's work also underscores the fact that the underclass is not just the result of moral breakdown. That larger material world affects black underclass kids' decisions: to commit crimes or to get jobs; to marry or not marry. That does not mean the moral dimension is unimportant. The social science literature is very sketchy on this subject. It's not so easy to say 22 percent of the variance is explained by the moral dimension, and 14 percent is explained by the job market. The two interact in a complex fashion. Still, I can't help

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believing that collective responsibility and moral regulation do matter.

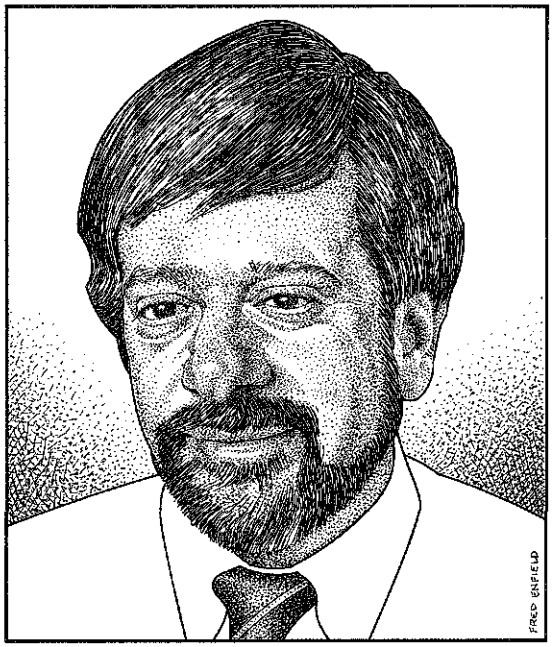
JOE KLEIN: There is one crucial difference between nineteenth-century poverty and today's poverty: the desire to assimilate. In the nineteenth century the poor wanted middle-class lives. They wanted to become "Americans." Most still do, but there is one glaring exception. In his introduction to the second edition of *Beyond the Melting Pot*, Nathan Glazer spotted this shift just as it was happening: Militant black leaders had chosen to define themselves as "internally colonized," he wrote, rather than as another ethnic group that would assimilate.

This self-definition was understandable, but ultimately disastrous—especially for mainstream liberalism—because it chose to identify with the militants. So the editorials in *Newsday* took the side of the Black Panthers rather than the police, and liberal elites learned to loathe working-class white neighborhoods. I think that if liberalism is to be resuscitated, it's going to have to dissociate itself from the notion of group "aggrievement" and pay closer attention to individual rights and responsibilities, and to the obligation to join, or at least not undermine, the community.

RICHARD VIGILANTE: As a teenager growing up in a working-class neighborhood in the 1960s, I remember very well the sense that liberals were almost defined by their loathing for neighborhoods like mine. The justification, of course, was charges of racism and bigotry. But the effect of an unrestrained, unsympathetic assault on those neighborhood vices was to eliminate their virtues as well.

As Myron Magnet might say, liberals forgot that well-ordered, peaceful, and productive communities are rare commodities, hard to build and easy to destroy.

Liberalism, morally empowered by its endeavors to bring justice to black and poor Americans, used that moral authority to



Alan Ehrenhalt

license wholesale attacks on the rules and customs of communities that worked, to undermine standards of personal and sexual behavior, to liberate people from notions of self-reliance, to open every human achievement to the charge that it was based on privilege, and to reward every failure with a reimbursable grievance against society.

This may be an exaggerated account, but many people see it that way, and that perception has substantially undermined the moral authority of liberalism. Can that authority be regained? Can liberalism admit that if government is not going to enforce the moral rules, it should at least not undermine them?

ELAINE KAMARCK: The key to that is finding a new way of designing social programs. The two most popular programs of the first New Deal, Social Security and the GI Bill, had something in common: First you did something for society and then the government did something for you. You paid in and then the government gave you your retirement. You went to war, the government gave you your college education.

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Nobody complained about black GIs going to college on the GI Bill. The answer for liberalism is to look at social-program recipients and say: Okay, we're going to give you this benefit, what do we get in return? I call this the Joe Klein question, because Joe went around asking this of candidates for mayor in New York: We know what the government owes the 15-year-old welfare mother; the question is, what does she owe us? If we begin to build programs with reciprocal obligation built into them, we can then rebuild political support for liberalism.

CHARLES MORRIS: Every successful community represses deviance. How now, today, can we repress deviance? There is a whole thirty-year tradition against the idea, a thirty-year "rights revolution" stemming from the belief that moral values are just individual choices and that every conceivable personal choice is an inviolable right. Oddly enough it was that great moral crusade, the civil rights revolution, which led straight to the reigning amoralism. In order to deal with racism, which was clearly a horrible evil, the civil rights revolution created a set of legal tools preventing any repression of deviance, any attempt to enforce moral norms.

But every successful social community enforces moral norms. German Jews started the settlement house movement because Eastern European Jewish immigrants were giving all Jews a bad name. Today, nobody in New York City will repress deviance of any kind.

SOL STERN: The Tompkins Square Park debacle is a perfect illustration of what you are talking about. For two years we had absolute paralysis on the part of the government. It wasn't even a question of repressing deviance. It was just the simple human duty of coming to the aid of mothers with babies walking in the park who were being defiled, who had lost their park because the city had abdicated use of its police power.

What was the city's solution? It didn't really deal with the problem of vagrants taking over the park. Instead, it decided to rebuild the park, spend another million and a half dollars, in order to have a legal excuse to force out the vagrants. Even so, the next day you still had the ACLU representative, Norman Siegel, on television ranting and raving and comparing the closing of the park to the fencing of swimming pools in the south to keep out young blacks.

Liberals forgot that well-ordered, peaceful, and productive communities are rare commodities, hard to build and easy to destroy

JOE KLEIN: Isn't there a middle ground between repressing deviance and celebrating it?

JONATHAN RIEDER: Charles, I think it only fair to point out that the rights revolution was a remarkable triumph, despite its excesses. Liberalism should be very proud about the extension of rights to women, minorities, and homosexuals. We're a much more humane society now because of liberalism. There's a distinction between the rights revolution and its excesses: the violation of common sense carried out in the name of rights that made it impossible to discipline kids in school, to remove criminals from the streets, and to stop people who destroy public parks.

Everyone seems to want to shed the excesses, so we should be able to accomplish that without a real counterrevolution. Here's a graphic cultural indicator: Recently, I was sitting at a table with a half-

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dozen left-leaning faculty members, some of whom even consider me a mealy-mouthed liberal. But everybody at that table agrees it's about time they cleared the homeless out of Tompkins Square Park.

JIM SLEEPER: We can't talk about the excesses in the rights revolution and the free market in morals without saying at least a word about the free market. A lot of people who try and follow moral discipline are bound to feel like chumps before very long if they watch what George Bush and his friends do. The S&L bailouts, which have nothing whatsoever to do with liberalism, set a standard of irresponsibility that most people are aware is available to those at the top. The excesses of the rights revolution are partly a populist response to a perception of unfairness in the way this country is run. The Bush Administration and the Reagan Administration are not strangling the cities in order to impose a wholesome discipline that will help us reorganize these ossified bureaucracies. Wholesome discipline is not on the agenda for Republican national politics.

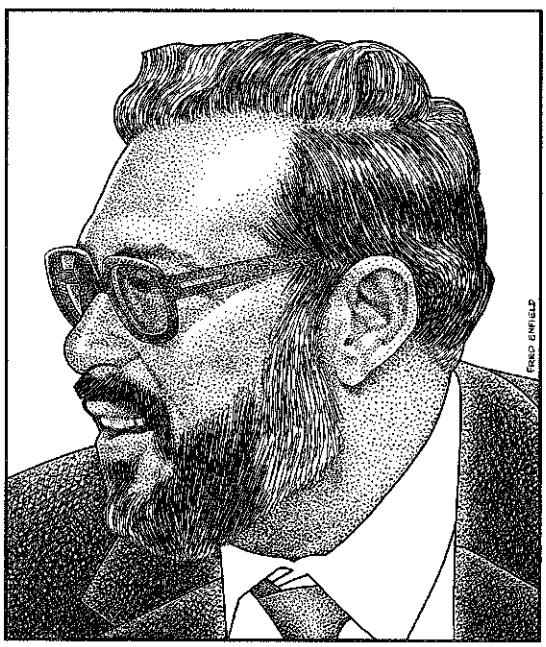
SOL STERN: The point about Tompkins Square Park is not that finally, even liberals, even a lot of leftists who use city parks, cheer that Tompkins Square was closed. The point is, what lessons are we drawing from this experience? The unanswered question is: When the park reopens, what is going to stop the vagrants from taking over the park all over again? We can't afford to remodel Tompkins Square every time a homeless individual sets up housekeeping there. I want an antiloitering law, even if it puts me on the wrong side of the ACLU. And I want the cops to be able to go into Tompkins Square the way they did thirty years ago and go over to someone who's urinating on the bench and say, "Get out of the park." Liberals cheer when the Guardian Angels do it, but will we let the official cops do it?

JONATHAN RIEDER: The real cutting edge is the cleavage between those with little kids in the city and those without. Those with little kids in the city are going to make sure their kids playing in Riverside Park aren't sitting on benches on which people have defecated and urinated.

FRED SIEGEL: What about the future? How do we make government in New York work? What can be done in the next five years to prevent New York from becoming Detroit?

WILLIAM STERN: The problem is not dwindling resources. Despite all the greedy excesses that went on in the Eighties on Wall Street and in Manhattan real estate, the worst excesses took place in the city and state governments. When I came into the government in 1983, the state budget was $22 billion and the total city budget $12 billion. Today, the state spends $51 billion and the city spends $29 billion.

The city is ripe for reform. The New York nomenklatura, what I have called the insider commercial party, is getting very



Fred Siegel

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unsure of itself. A lot of people are willing to say out loud that the system is about to implode. People are beginning to realize that the city could come down, real estate might be worth nothing, people can move out. As a result, there is an openness to new ideas now that I've never seen before in New York.

RICHARD VIGILANTE: Can liberalism become a normative force again? Can it become as annoyingly moralistic as some conservatives, and maybe do some good in the process?

JIM SLEEPER: They used to say it takes the working class to teach decency to their betters. That's what has to come back.

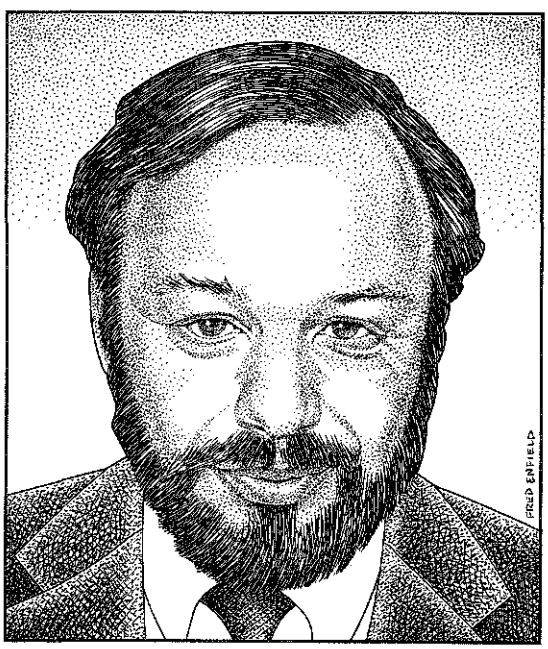
JOE KLEIN: On the question of what a liberal morality should look like, I think that we're at the end of another industrial-age experiment, the attempt to institutionalize altruism.

We have to redefine what government is. Right now government is something that we pay other people to do for us. Alan Ehrenhalt has written about the professionalization of the political class. We have to start deprofessionalizing it. An ethic of responsibility doesn't just apply to 15-year-old mothers on welfare; it has to apply across the board.

There is an interesting cycle here. Michael Barone wrote that the welfare state really began when Boss Murphy sent Robert Wagner and Al Smith up to Albany to get social legislation after the Triangle Shirtwaist factory fire. That cycle ended, I think, with the Happy Land Social Club fire. Three city agencies were charged with making sure that places like Happy Land didn't exist. All of them failed, and yet not a single person was reprimanded or fired.

The building inspectors who failed to prevent the Happy Land deaths are typical public servants of our day. They are underpaid; they are also notoriously corrupt. Instead of hiring lifelong building inspectors, why not have architects and structural engineers serve one year of their four-year apprenticeships as building inspectors? Why not do the same in other areas of government? Why not, in return for scholarship money, have kids serve as cops—as Adam Walinsky has suggested—or as teachers, or as social workers, or in innumerable other ways? Making government something that most people do for a few years of their lives breaks down the barriers between public servants and the public interest, barriers that have been created by liberalism's commitment to institutions.

JIM SLEEPER: The futility of institutionalized altruism is obvious. But before we go whole hog on the "thousand points of light" response, I think we have to remember that it is not just bureaucracies that cause social disintegration. The disintegration of families and the decline of civic altruism also result from marketing that tells people they need to buy two cars, a big house, expensive clothes, and a speed boat —all on credit. Institutionalized altruism



Joe Klein

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may be futile, but we should not delude ourselves that merely suspending it will somehow curb the soaring rates of child abuse and abandonment and family disintegration.

JOE KLEIN: It is not a question of suspending institutionalized altruism. It's a question of modifying it and reintroducing an ethic of individual responsibility. We also need to realize that you cannot mandate altruism. People tend to be altruistic for three or four years of their lives. After that, most public servants burn out and spend the next 15 years waiting for their pensions to kick in.

CHARLES MORRIS: One hopeful sign is that the average age is about 38 now. It's not safe to live in the kind of world that people were willing to create when the average age was 22. I think, whether we do anything or not, many changes are already going to happen. I think it will happen here last—I think that the rest of the country is going to be way ahead of New York. I think that we here are lagging indicators.

Look around: You'll see lots of guys with big sneakers and boxes of Pampers. They got the message: Kids need fathers

ELAINE KAMARCK: You may be right. I have a friend who is a psychologist currently working with a group of first offenders on probation, all for drugs, all young black males from the District of Columbia. They are all fathers, and they talk about how they want to be good fathers. They are very proud of the fact that they buy Pampers for the baby. Look around, you'll see a lot of these guys with big sneakers carrying big boxes of Pampers. This notion is getting through to them: Fatherless families are bad.

NATHAN GLAZER: We are hitting such a positive note that it worries me.

FRED SIEGEL: Well, then, let me be very pessimistic for a moment. The political culture of the city is such that it will be almost impossible for the relearning process that Elaine Kamarck described to have an impact on public policy. There is no political vehicle, no public voice to make it happen. New York is a one-party town; it is pretty much a one-newspaper town.

It is hard to imagine the transmission belts for new ideas. One reason is the changing nature of the political elite in New York. Forty years ago there was a coherent political elite whose business interests were here. That is mostly gone. The banks that in part rescued the city twenty years ago are still here physically, but they are no longer centrally involved with New York. The manufacturers whose futures were tied to New York have left. We were once home to thirty of the hundred largest corporations, we're now home to two of the hundred largest corporations. The public sector in New York can elect its own leaders. Vic Gotbaum used to brag that he could elect his own boss. I don't think that's going to change anytime soon, so it is difficult to see how a reform coalition can be built.

ELAINE KAMARCK: I think that the way it will happen here is as follows: Unlike other cities that are evolving into much more entrepreneurial forms of government, what will propel New York into the future is a tax revolt. There won't be any adjustment, any thoughtful reform; government will just shrink and shrivel, until it gets to the point where the people who remain will begin to engage in what many of them are already doing: self-taxation. New York City is probably the leader in self-taxation. Self-taxation goes on in every single middle-class

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neighborhood in this town: private schools, contributions to the parks and for the various conservancies, and in many places private police and private transportation systems. People are going to hold the line on taxes because they're not getting anything for their tax dollars.

FRED SIEGEL: Elaine, people will leave New York first.

ELAINE KAMARCK: No, thanks to the real estate slump, you are wrong: They can't leave because they can't sell.

JONATHAN RIEDER: On a more cosmic note, liberalism in American life has always had a certain rhythmic quality: Liberalism flourishes, declines, and undergoes rebirth. The specific forms in which it appears may change, but the basic impulses to which it speaks remain the same: activism, mastery, collective responsibility, and nurturance. These are enduring parts of the American fabric.

Liberalism stood for something in the late Fifties and early Sixties during the civil rights movement because it affirmed a positive vision of the dignity and worth of individuals. It had a moral grounding, whether it drew inspiration from the prophetic black tradition, from Jewish liberalism in its secular or religious incarnations, from Catholic progressivism, from secular humanism. Do not confuse the more enduring spirit that is liberalism with its various, historically specific manifestations.

JOE KLEIN: If there is a source of regeneration for the city, and maybe even for liberalism, it's that an average of 90,000 immigrants a year came here during the Eighties. An estimated 150,000 will come each year in the Nineties. Thanks to the provisions of the new immigration bill, a lot of these people are going to have skills and money, and they're not going to put up with a lot of the nonsense that we've seen here.

Liberals, who bought into the notion of blacks as an internalized colony, have enabled a small group of militants to hijack the discourse and to divide us into false categories: Whites and "people of color." It's a hateful, divisive way to look at the city. The new immigrants won't have all that much in common with that small group of black leaders who want to see this as a bifurcated racial system. They'll be too busy assimilating to buy into the racial politics that have been so debilitating. And they will be powerful witnesses for the proposition that the aspiring poor need orderly, safe communities even more than the well-to-do. ■

New York seemed very strange
indeed. It might, almost, for
the strange barbarity of manner
and custom, for the sense of danger
and horror barely sleeping
beneath the rough, gregarious surface,
have been some impenetrably
exotic city of the East.
So superbly was it in the present
that it seemed to have nothing to do
with the passage of time:
Time might have dismissed it
as thoroughly as it had dismissed
Carthage and Pompeii.

—James Baldwin

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Where the Money Goes

by Steven G. Craig

Does New York City spend too much money? And if it does, why are basic city services so often inadequate? These seem like obvious questions to ask as the city struggles with its second major fiscal crisis in 15 years. They seem especially relevant since the city leadership seems more willing to raise taxes than to cut spending, and the budget cuts that are being made seem to come mostly out of basic services of the sort that any moderately prosperous city ought to be able to afford.

Oddly enough, these questions do not get asked very often or answered very clearly. Part of the reason may be that they are hard questions to answer, at least with any precision.

One could say that since New York is going broke, it must be spending too much. But a budget crisis does not necessarily mean the city is spending too much: It could be taxing too little, though New Yorkers will be forgiven for being skeptical of this explanation. Besides, going broke is a pretty painful method for detecting fiscal imprudence.

One might try to establish how much money the city needs to spend. Good idea, but extremely difficult to pull off. Try defining need. Does New York need to eliminate crime? drugs? poverty? Obviously the city cannot do away with any of these things; it must choose between doing more or less to combat any one of them.

Probably the most useful way to measure whether we spend "too much" is to compare how much New York spends, and on what, with other similar American cities. Unfortunately this is hard to do: There are no standardized accounting procedures for American cities, and the services that are provided within a city's borders may be offered by a number of different jurisdictions, which may have boundaries different from the city's.

New York City, for instance, runs its own school system, but in many places school districts have boundaries and budgets quite separate from the city's. On first glance New York might seem to spend a lot more on education than, say, Chicago, but raw comparison doesn't mean much.

This is why economists and budget experts hardly ever compare spending across city lines. With sufficient time and care, however, it can be done. I performed just such an analysis, comparing New York City's expenditures with those of ten other major American cities.

The state of the data and the inherent difficulties of the task required some compromises along the way. But fortunately for the clarity of the study, though perhaps unfortunately for New York, the results were so dramatic as to override any doubts about the technical details.

Steven G. Craig is an associate professor of economics at Hunter College.

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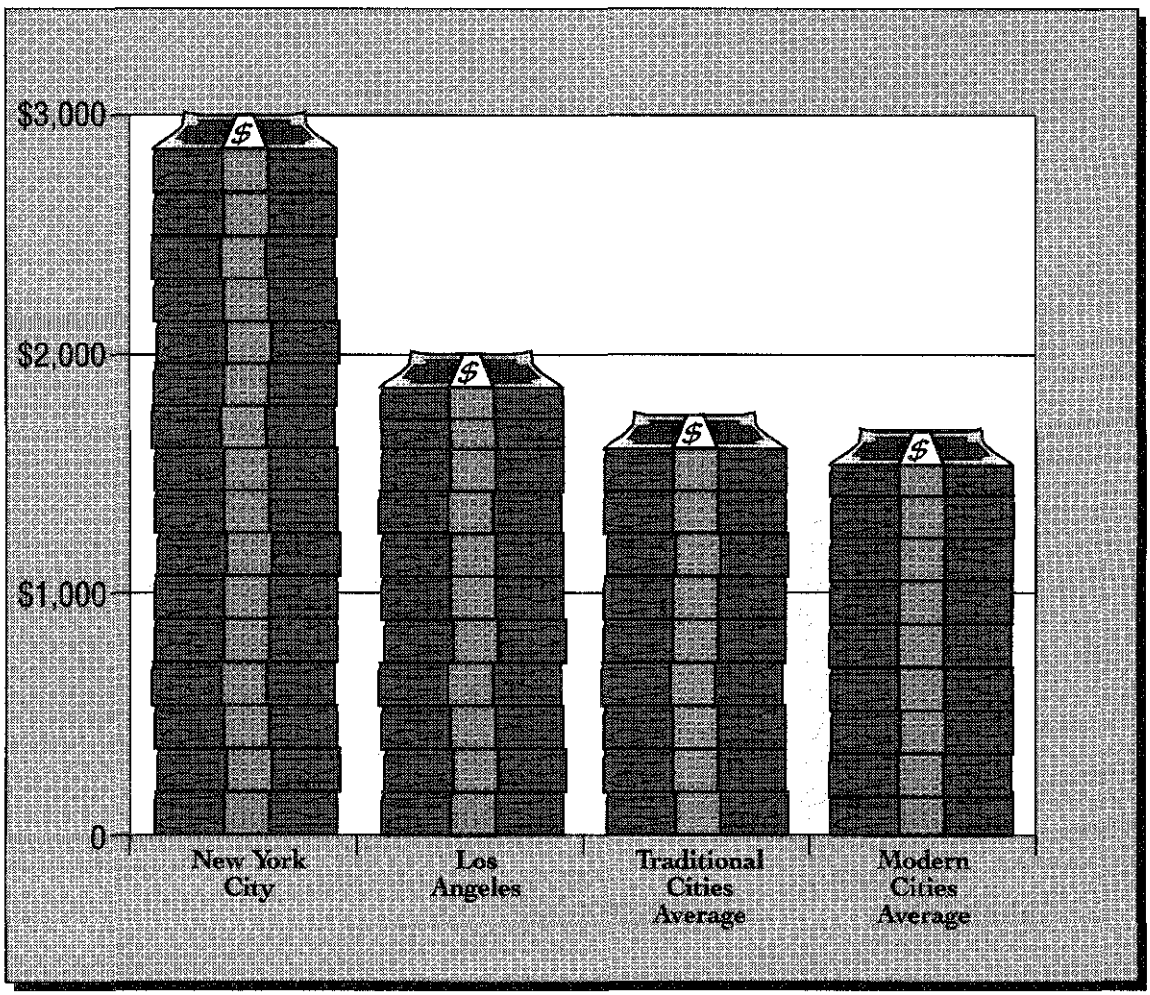
In brief, New York City is in a class by itself in its level of municipal spending. Even after controlling for population, differences in jurisdictions, and similar complications, no other city studied even came close. For every man, woman, and child living in New York, the city government (which makes essentially all local government expenditures here) spent roughly $3,000 in 1986, the last year for which comparable data for the various cities are available.

As Figure 1 shows, New York spent far more than the average city, and well above the figure for Los Angeles, the second highest-spending city on the list. Local government spending came to just under $2,000 per capita for all jurisdictions within Los Angeles County. (The City of Los Angeles by itself only spent about $650 per citizen.)

On average, New York City spends 75 percent more per capita than the local governments of the ten other cities. (If only central city governments are taken into account, New York spends well more than three times the average.) New York City spends more than twice as much per citizen as Boston and Jacksonville, and almost twice as much as Dallas and

FIGURE 1

Total Spending Per Resident: Major U.S. Cities, 1986



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Chicago. (The cities studied were Baltimore, Boston, Chicago, Cleveland, Dallas, Detroit, Houston, Jacksonville, Los Angeles, and Philadelphia.)

To put it another way, if New York's per capita spending were no more than average for typical large American cities, it would have run a $9 billion surplus in 1986. Today the figure would be even higher.

What accounts for the enormous difference between New York and these other cities? Not New York's higher cost of living. If higher prices were the cause, then New York's higher spending would be more or less evenly distributed among various government services. But that is not the case.

Indeed, one of the most surprising results of this study is that New York's spending for traditional, basic municipal services is not particularly high. New York's spending is just slightly above average for fire protection, parks, education, and central administration. We spend more for police than do the four "modern" cities on the list (Los Angeles, Jacksonville, Dallas, and Houston), but not much more than the six other "traditional" industrial cities of the Northeast and Midwest. As a percentage of its total budget, New York spends far less than other cities on these basic services.

New York's per capita education spending, for example, is almost exactly equal to the average of the traditional cities and is actually 2.5 percent below the average of the four modern cities. Spending per capita is not the same as spending per student, and spending a lot per student does not necessarily ensure good education. Even so, it is clear that New York devotes less of its resources to its schools than other cities: 22 percent of its budget, compared with 39 percent for the average of the other ten cities.

Were it possible to accurately figure into this comparison the difference in the prices of goods and services among the several cities, the results would probably show New York to be underspending on basic services compared with the other cities. Yet New York's leaders are preoccupied with balancing the budget and seem quite willing to do so at the expense of essential services.

So where *does* the money go? Again the answer is so clear and dramatic that none of the technical difficulties of cross-city comparisons can hide it. New York's excessive spending is due almost entirely to the simple fact that, alone among the cities studied, New York City has undertaken to run its own welfare state.

Almost everywhere in this country the care of the poor, or at least such care that requires any large expenditure, is primarily a state and federal matter. But relative to other cities, New York City spends enormous sums on low-income assistance programs. Such spending is reflected primarily in four areas: welfare (including Medicaid), municipal hospitals (most of whose patients are poor), other health expenditures, and housing programs. New York spends $1,084 per capita on these four categories—some 36 percent of total city expenditures. The average for the traditional cities is $252, or 14 percent of total spending; the average for the modern cities is $230, also 14 percent of total spending. (See Figure 2.)

Of course, much of this money never makes it into the pockets of poor New Yorkers. These figures include all administrative costs. Moreover, spending for health, hospitals, and housing goes entirely to service-providers, not directly to the poor.

For spending on welfare and hospitals, no other city even comes close to New York. New York spends 133 percent more on welfare than Los Angeles, the second highest-spending city, and 75 percent more on hospitals than Cleveland, the Big Apple's closest rival in that category.

Looked at another way, the $839 per capita New York spends on hospitals and welfare is 28 percent more than the $658

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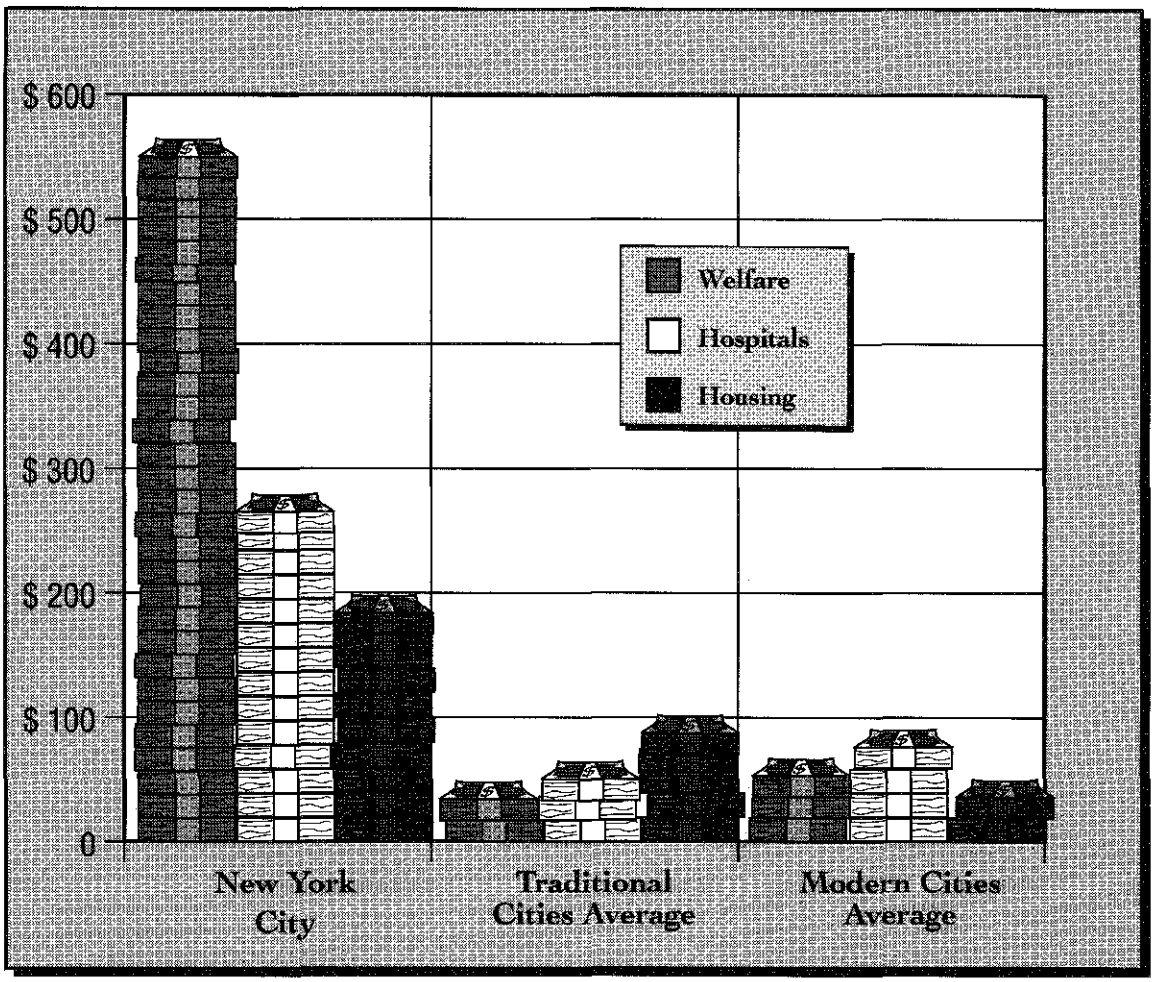
FIGURE 2

Spending on Low-Income Assistance Per Resident: Major U.S. Cities, 1986



per capita it spends on education. No other city spends even half as much on welfare and hospitals combined as on education.

Another way to illustrate the enormous proportion of New York's budget that goes to low-income assistance is to subtract these four categories from the total spending figure. This leaves New York with an aggregate budget of $1,916 per capita, only 29 percent greater than the traditional-city average of $1,491. New York's commitment to low-income assistance accounts for nearly two-thirds of the difference in expenditures between New York and other major metropolitan areas.

Of course part of the reason that New York City spends so much in the welfare category (including Medicaid) is state policy. Most other states cover a greater share of welfare costs than New York State does. But state policy does not tell the whole story: New York City spends more than three times as much per capita on welfare as other localities within New York State. New York City spends $562 per capita on welfare. The average for localities in the rest of the state is only $174, which is within the range of Cleveland and Los Angeles.

The conclusion is inescapable: New York City is short of money to pay for

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normal municipal services because it pays for things most cities do not. If we were not trying to run our own welfare state, whether at Albany's insistence or our own, we would be able to spend far more on basic services and cut taxes in the bargain.

Two additional factors help make us a high-spending city: Our effective payments for debt service (including retirement spending) and our miscellaneous or "other" government expenditures are both much higher than in most other cities. In the main, though, it is New York City's unique municipal welfare state that is causing our repeated fiscal crises and forcing us to cut basic services.

New York, with its great wealth and high tax rates, has far more resources at its disposal than any other U.S. city. Yet the average New Yorker does not enjoy the benefits of a wealthier local government, because the additional money is not spent on basic services that benefit all New Yorkers.

Tables 1-3 show, step by step, how I arrived at these conclusions. The 11 cities studied were selected to represent the most populous states, and they comprise half of the 22 largest cities in the country. The six traditional cities are shown separately from the four modern cities, and New York City is shown by itself. New York is more similar to the traditional cities, but the modern cities are worth examining as well, because increasingly they are our competitors for people and businesses.

As noted, comparing expenditures among cities is a perilous business, so conclusions must be drawn with care. There are no standardized accounting rules, so we must rely on census information, which is why I had to use 1986 data. Even with the census data, however, there are some minor inconsistencies. Nonetheless, the information is the best available.

The step-by-step analysis attempts to account for differences in spending caused by the different systems of local government and different divisions of responsibility between the states and their localities.

Intercity Comparisons

Table 1 shows only expenditures made by the central municipal governments of the 11 cities. This table shows that New York City spends a total of $3,064 per resident on its "general expenditure" budget—roughly 80 percent more than Boston, the next high-

TABLE 1
City Government Expenditures Per Capita, 1986

	General Expenditures	Fire	Police	Parks
NEW YORK	$3,064	$81	$176	$50
TRADITIONAL CITIES				
Baltimore	1,588	80	166	76
Boston	1,704	107	152	14
Chicago	735	61	161	6
Cleveland	840	99	186	54
Detroit	1,099	58	197	84
Philadelphia	1,170	59	153	46
Traditional-City Average	1,189	77	169	47
MODERN CITIES				
Dallas	617	62	114	67
Houston	705	76	120	31
Jacksonville	711	54	82	51
Los Angeles	655	54	131	36
Modern-City Average	672	62	112	46

Source: U.S. Bureau of the Census, *City Government Finances in 1985-86.*

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est city, more than two-and-a-half times as much as the average traditional city, and about four-and-a-half times as much as the average modern city.

Because municipal responsibilities vary so wildly, the Table 1 general expenditure figures really do not help us very much in figuring out whether a particular city is spending "too much" overall, compared with other cities. They do, however, show that New York has entrusted a single central government with vast and complex responsibilities.

The more interesting figures in Table 1 are those for police, fire protection, and parks and recreation. These services are displayed in Table 1 because they are nearly always provided by municipal governments. (A notable exception is parks and recreation in Chicago.)

New York City's spending on these basic services is close to the average for the traditional cities and somewhat higher than for the modern cities, especially for police. New York, for example, spends $176 on police, only 4 percent more than the traditional-city average, and $81 on fire protection, slightly above the average for traditional cities, whose expenditures range from $59 in Philadelphia to $107 in Boston. On parks and recreation, New York's spending is slightly below the average, excluding that of Chicago.

But as a percentage of total spending, New York spends much less on basic services than the other cities. For every $100 New York City spends, approximately $10 goes to police, fire protection, and recreation. In contrast, for every $100 spent by the municipal governments in the traditional cities, nearly $25 goes to these functions.

Table 2 attempts to correct for the most serious and obvious difficulty in intercity spending comparisons: varying divisions of responsibility among different local government units, whose borders are not identical. In other words, Table 2 adjusts for the fact that in one area local welfare spending may be a county responsibility, while in another it is a city responsibility; or that county and city lines may not be identical; or even that school districts may stretch across city lines.

Table 2 handles these difficulties by comparing per capita spending by all local government units within the county (or counties) containing the major city and its immediate environs. Among these governmental units are counties, school districts, cities, townships, and special districts. Even under this procedure, New York spends 50 percent more per capita than the next highest-spending urban area, Los Angeles; 72 percent more than the average traditional city; and almost 80 percent more than the average modern city.

Table 2 also shows total local expenditures for a variety of individual services. Expenditures on education and roads continue the pattern of Table 1: New York does not spend very much on basic services that benefit all citizens. On education, it spends only $1 more than the average of the traditional cities and actually spends less than the modern cities. Again, given New York's higher cost of living, it may be, in effect, spending significantly less on education than most cities.

Nor can New York's budget woes be blamed on a bloated central bureaucracy: New York's $96 per capita spent on central administration is equal to the traditional-city average. This category does not represent the total cost of bureaucracy; it includes such functions as finance, building maintenance, courts, and central executive offices, but not administrative costs for particular departments, which are included in the expenditure figures for the specific categories.

Table 2 shows clearly that New York busts its budget primarily on direct and indirect assistance to low-income New Yorkers. New York City spends more than

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ten times as much on welfare as the other cities studied. Welfare spending alone accounts for almost 40 percent of the difference between New York's general expenditure level and that of the average city. The next biggest welfare spender, Los Angeles, spends less than half as much per capita as New York. The only other local area that spends more than $100 per capita on welfare is Cleveland.

New York is one of the few cities in the U.S. that owns any municipal hospitals. But even though Table 2 includes expenditures on county hospitals, which are somewhat more common, New York City spends almost four-and-a-half times as much on hospitals as the average traditional city, and nearly four times as much as the average of all ten cities.

According to Table 2, New York spends almost twice as much as the traditional cities spend on housing programs and more than four times as much as the modern cities spend.

One possible explanation for all this spending on the poor, of course, is that poverty is worse in New York than elsewhere. Trying to account for need, however,

TABLE 2
Total Local Area Expenditures Per Capita

	General Expenditures	Education	Highway	Admin.	Interest	Retiremt.	Welfare	Hospital	Housing	Health	Other
NEW YORK	$3,000	$658	$108	$96	$119	$276	$562	$277	$197	$48	$269
TRADITIONAL CITIES											
Baltimore	1,755	496	89	85	103	68	1	0	192	52	116
Boston	1,421	614	62	57	42	122	6	84	132	8	109
Chicago	1,647	724	69	82	96	75	23	57	56	14	90
Cleveland	1,987	728	73	114	84	0	157	158	85	47	74
Detroit	1,729	779	109	103	58	78	14	68	32	56	118
Philadelphia	1,917	602	35	135	213	107	69	4	103	90	155
Traditional-City Average	1,743	657	73	96	99	75	45	62	100	45	110
MODERN CITIES											
Dallas	1,623	697	90	94	120	29	5	123	41	11	41
Houston	1,732	660	121	87	177	14	5	92	9	27	44
Jacksonville	1,376	637	50	72	87	37	13	42	58	12	26
Los Angeles	1,994	706	59	138	69	100	241	102	80	57	83
Modern-City Average	1,681	675	80	98	113	45	66	90	47	27	48

Source: U.S. Bureau of the Census, *Local Government Finances in Major County Areas, 1985-86.*

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is a daunting task. If more New Yorkers are on welfare, is this because New Yorkers are poorer, or because it is easier to get welfare in New York? If New York's poverty rate is no higher than elsewhere, does this mean there is no greater need for welfare, or does it mean New York's generous welfare programs should be credited with keeping the poverty rate down?

In spite of the difficulty in determining whether New York is especially needy, it seems unlikely that need alone could account for the enormous difference between New York and other cities: New York's total low-income expenditures are more than four times as great as the average traditional city. Moreover, if New York's need for poverty programs is significantly higher than that of other cities, one would also expect New York to have greater needs in such areas as police and education. Yet, as we have seen, its spending on basic services is not particularly high, in part because it spends so much on welfare, housing, and hospitals.

New York City spends more than ten times as much on welfare as the other cities studied

The other major area in which New York significantly outspends other cities is debt service. New York spends $119 per capita for interest payments, some 20 percent more than the traditional-city average of $99 per person. If fiscally strapped Philadelphia is excluded, New York's interest payments are 55 percent higher than the traditional-city average. New York's interest payments are even slightly higher than the modern-city average, though newer cities would be expected to incur greater debt as they build new facilities to meet the demands of rapidly growing populations.

Moreover, New York's interest-spending figure excludes a huge hidden debt in the form of increased retirement expenditures undertaken to compensate for the wage deferrals of the 1970s. The city, in effect, borrowed money from its employees during the last fiscal crisis and is now paying it back in the form of bigger pensions. Thus New York spends more than three-and-a-half times as much as the average traditional city on retirement expenses and more than six times as much as the modern cities. (This category is not included in the general expenditure total.) New York's retirement expenditures are more than twice as high as those of the next highest city, Boston. A significant portion of these extraordinarily high pension payments should really be considered debt service.

The city's huge debt-service obligations are one important reason that the city has so little fiscal maneuverability during hard times: Debt payments are for the most part intractable legal obligations that must be met, even at the cost of cutting basic services.

New York is also higher in the "other" category, which comprises all expenditures not otherwise classified in the census data. New York spends $269 in this area, compared with $110 for the average traditional city and a mere $48 for the average modern city. Since these services are not specified, the only conclusion one can draw is that New York offers a range of minor government services far beyond that offered by the traditional big city. (Some categories used by the Census Bureau are omitted from this analysis; these are not included in the "other" category, although they are part of the general expenditure total. See table notes for a specific definition of each category.)

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The Role of State Policy

So, why doesn't New York stop its free-spending ways, or shift some of its resources to the sort of basic services that might help keep its middle-class taxpayers from fleeing the city and making its fiscal problems worse? One often-cited reason is that Albany forces the city to spend a lot of money, particularly on the poor. A number of budget analysts and prestigious policy organizations have called on Albany to reduce the burden of state-mandated local spending, and in particular to pick up the full state share of welfare and Medicaid instead of shunting half of it off onto local governments.

But Albany's responsibility for the city's plight may be exaggerated. Table 3 attempts to determine to what extent city spending here and elsewhere is the result of state policies. It compares the rate of expenditure in the given metropolitan area with expenditures for local governments elsewhere in the state.

The numbers listed in Table 3 are the ratio of the Table 2 figures (local area per capita spending) to the corresponding figures for all other parts of the state. Generally speaking, the closer this number is to 1, the more likely it is that the local spending level is determined by state policy. A divergence from 1 indicates that the pri-

TABLE 3
Local Area Spending As a Proportion of State Local Area Average

	General Expend.	Education	Highway	Admin.	Interest	Retiremt.	Welfare	Hospital	Housing	Health	Other
NEW YORK	1.47	0.69	0.88	1.34	1.22	582.59	3.23	4.92	7.34	1.11	1.73
TRADITIONAL CITIES											
Baltimore	1.33	0.76	1.35	1.27	1.06	4.72	0.15	0.00	6.94	2.35	1.31
Boston	1.15	1.06	0.93	1.05	1.31	2.26	0.57	1.92	2.00	1.14	0.96
Chicago	1.53	1.54	0.74	1.09	1.90	14.16	0.89	1.16	2.76	0.92	1.25
Cleveland	1.55	1.19	0.94	1.64	1.80	0.00	1.93	5.57	2.34	0.87	1.26
Detroit	1.15	1.04	0.97	1.20	1.09	6.20	0.40	0.71	4.81	0.99	1.12
Philadelphia	1.66	1.00	0.65	2.16	2.06	10.10	1.42	0.73	2.92	3.24	2.64
Traditional-City Average	1.40	1.10	0.93	1.40	1.54	6.24	0.89	1.68	3.63	1.58	1.42
MODERN CITIES											
Dallas	1.15	1.01	1.17	1.24	0.96	5.13	0.87	1.39	2.40	0.78	1.27
Houston	1.26	0.94	1.73	1.15	1.56	2.06	0.90	1.00	0.41	2.42	1.38
Jacksonville	0.94	1.12	0.78	0.88	0.82	4.02	1.02	0.31	2.57	0.89	0.39
Los Angeles	1.10	1.10	0.81	1.26	0.89	3.04	1.31	0.80	1.36	1.03	1.26
Modern-City Average	1.11	1.04	1.12	1.13	1.06	3.56	1.02	0.88	1.68	1.28	1.08

Source: U.S. Bureau of the Census, *Local Government Finances in Major County Areas, 1985-86; Government Finances, 1985-86.*

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orities of the city differ from those of other regions in the state. For New York City, the Table 3 ratio for general expenditures is 1.47; thus the city spends 47 percent more per capita than other localities in the state, though all are subject to the same state mandates, including those requiring them to share the cost of welfare and Medicaid.

For most of the individual categories, New York does not vary much from the other ten cities. For instance, New York spends 1.34 times as much as other New York localities on central administration. That is not much different from the 1.4 and 1.13 figures for the traditional and modern cities, respectively.

In five categories, however, the difference is dramatic. The first is education: New York spends only 69 percent of what other New York localities spend. The only other city that spends a similarly small percentage on education is Baltimore, at 76 percent. Seven of the remaining nine cities spend more than the state average.

The other four categories are, predictably, welfare, housing, hospitals, and retirement expense. New York spends more than three times as much on welfare, nearly five times as much on hospitals, and more than seven times as much on housing as other New York localities. The other cities, on average, had spending levels much more typical of the other localities in their states. New York is the only major locality in the state with significant retirement expenditures, so its Table 3 figure is particularly large.

The effect of state policy on New York City is most pronounced in the welfare category. Thus, while New York spends more than 12 times as much per capita on welfare as the average traditional city, it only spends about three times as much as other localities in New York State. Still, despite the heavy influence of Albany, New York City spends far more on welfare than other cities in the state, suggesting that New York City, on its own, could do a good deal to reduce its welfare spending.

Albany's policies, on the other hand, do not seem to account for the difference between New York City and other New York localities in spending on hospitals and housing. In fact, New York City spends 492 percent of the state average on hospitals and 734 percent on housing. Both figures are more than the difference between New York and the traditional-city average, as shown in Table 2.

If New York followed the pattern of the average traditional city—spending 89 percent of the state average on welfare, 168 percent on hospitals, and 363 percent on housing—its total expenditures on these three categories would be $347 per capita, $689 less than the actual level, and only $140 more than the average traditional city.

A Thought Experiment

What would happen if New York's spending patterns were similar to those of other cities? Two possible answers are given in Table 4, which shows two hypothetical budgets for New York City. These are not realistic budget proposals, of course. The city's debt, for example, cannot be magically reduced. The hypothetical budgets are thought experiments designed to illustrate what might happen if the city's priorities were more like those of other cities.

The first budget shows what would happen if New York simply spent the same amount per capita as the average traditional city in each of the categories. The result, in 1986, would have been a reduction in expenditures of $1,310 per capita, or a "surplus" of more than $9 billion for the whole city. A budget along these lines, however, cuts basic services such as fire and police. It also presupposes higher state expenditures on welfare programs, so a significant portion of this surplus would end up being paid in state taxes. Still, even if city welfare

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TABLE NOTES

Table 1 figures include only spending by the municipal government of the city shown. Police, fire, and parks and recreation are shown in Table 1 because they are normally provided by municipal governments. Table 2 and 3 figures include spending by all units of local government within the geographic area indicated below. Population figures, in thousands, are given in parentheses. No figure is given for the metropolitan area in cases where the boundary is identical to that of the city.

GEOGRAPHIC AREAS:

New York (7,263): City only. Chicago (3,010): Cook and Du Page counties (5,972). Baltimore (753): City only. Boston (574): Suffolk, Middlesex, and Norfolk counties (2,632). Detroit (1,086): Wayne, Oakland, and Macomb counties (3,877). Cleveland (536): Cayuhoga County (1,461). Philadelphia (1,643): Philadelphia County. Los Angeles (3,259): Los Angeles County (7,901). Jacksonville (610): Duval County. Dallas (1,004): Dallas County (1,723). Houston (1,729): Harris County (2,747).

TABLE DEFINITIONS:

General	Total expenditures except for utilities and trust funds (see below).
Fire	Fire protection, inspections, prevention services, water, and hydrants.
Police	Police, traffic safety, inspections, and crime prevention.
Parks	Museums, playgrounds, pools, parks, stadiums, zoos, convention centers, and other recreation facilities.
Education	Elementary, secondary, and higher education expenditures, including transportation and food service.
Highway	Streets and highways, bridges, toll facilities, snow and ice removal, street lighting, ferries.
Administration	Central administration for finance, building maintenance, judiciary, and central executive offices.
Interest	Interest on general (nonutility) debt.
Retirement	Payments out of government-administered trust funds to recipients. Does not include administrative costs. This category is not included in general expenditures.
Debt	In Table 4, combination of interest and retirement expenditures.
Welfare	Direct cash and commodity assistance based on need. This category includes, among other things, AFDC and most Medicaid expenditures. Also included are payments to private and public welfare agencies (except public hospitals).
Hospital	All expenditures for municipally owned hospitals.
Housing	Includes urban development. City housing, redevelopment, and regulation, including municipal-housing authorities in Michigan and New York.
Health	Health services, including clinics, nursing, research, immunization, general public-health expenditures (excluding hospitals).
Other	Expenses not elsewhere classified. Does not include elementary or secondary education, higher education, libraries, public welfare, health, hospitals, transportation, public safety (including fire, police, and regulation), sewers and sanitation, parks and recreation, housing and community development, natural resources, central administration, interest, utilities, or employee retirement expenditures. Does not include debt retirement or refundings.

Spending figures include both operating and capital expenditures. All categories, except retirement expenditures, are subsets of the general expenditure category. The total of these categories does not equal the general expenditure total, however, because not every category is exhibited. In the hypothetical budgets, spending on categories not elsewhere included in the analysis is kept constant.

Utility expenditures, including mass transit (except direct city subsidies), are excluded from this analysis. Utilities require separate study because some utilities in some areas are provided publicly, while others are provided privately. In Los Angeles, for example, water and electricity are both provided by the municipal Department of Water and Power. Conversely, water is a municipal service in New York, while Con Edison is a private company. Moreover, the budgetary impact of utilities is clouded because they generate considerable revenue.

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TABLE 4
Hypothetical New York City Budgets

	Fire	Police	Educ.	Highway	Admin.	Welfare	Hosp.	Hous.	Health	Other	Debt	Surplus
Actual	82	179	658	108	96	562	277	197	48	269	395	—
Scenario 1	68	131	657	73	96	45	62	100	45	110	174	1310
Scenario 2	85	240	1049	114	100	155	95	97	68	221	222	425

spending were kept at its current level, the surplus would amount to $793 per capita, or roughly $6 billion overall—enough to improve basic services and provide substantial tax relief.

The second hypothetical budget shows what New York's spending might look like if it were more like those of other cities, but constrained by the state policies that now exist. The figures here are the amount New York City would spend if its per capita expenditure were the same proportion of the state average as is the case in the average traditional city. For example, Table 3 shows that the average traditional city spends 110 percent of its state average on education. If New York City spent 110 percent of the state average, its per capita education spending would be $1,049.

This budget produces only a $425 per capita surplus, about $3 billion citywide. But it considerably increases spending on basic services such as education and police. Many of the cuts are at the expense of programs for the poor, but a $3 billion surplus would allow considerable leeway to expand those programs if necessary. Debt service, as represented by interest and retirement expense, would be much reduced.

A central purpose of examining the city's budgetary priorities is to expose what economists term the "opportunity costs"—that is, the cost of not spending money elsewhere. While these hypothetical budgets are not realistic proposals, they do show that New York spends relatively little on education, police, fire, parks, and roads.

These budgets show just how much New Yorkers sacrifice for our generous programs for the poor and for the fiscal irresponsibility of the past. Our leaders must ask—or be asked—whether the city's long-term prospects would be improved if the city gave a higher priority to the essential services that improve the quality of life for all New Yorkers. ■

This article was based on research performed during Professor Craig's tenure as the Manhattan Institute's 1991 Wriston Citicorp Fellow.

The city is the flower of civilization.
It gives to men the means to
make their lives expressive.
It offers a field of battle,
and it could be made a livable place
if its sons would stay and fight for it,
instead of running away.

—*A Courageous American*

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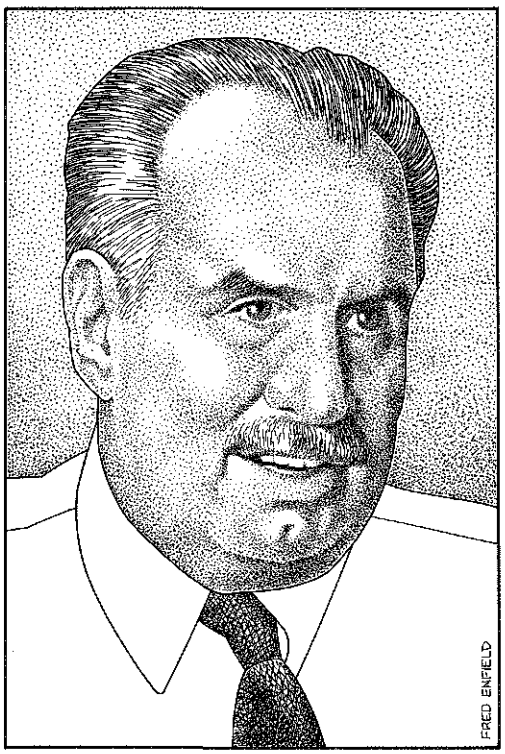
Fernandez's Quick Fix

by Stephanie Gutmann

Picture winter 1990: The city is broke. The public schools are a disaster, as usual, and there are rumblings about even scarier problems, like crack babies, waiting in the wings. The central Board of Education's most recent chancellor, Richard Green, has served only 14 months before dying of asthma—or was he simply worn out by his task, another victim of the city's schools?



If an ad-agency casting agent were searching for someone to play "savior of New York's school children," he couldn't have found a better candidate than Joseph A. Fernandez. Tall, wide-shouldered, with round wire-rim spectacles and slicked-back FDR hair, Chancellor Fernandez had been an inspiring presence in New York ever since he left Miami to accept a three-year contract making him New York's highest-paid public official. He was fond of issuing blunt, quotable statements like, "What's been missing here is accountability. Nobody has held anybody's feet to the fire." Reporters loved it, and so did a lot of other New Yorkers.

Besides the promise of official feet-roastings, New Yorkers were excited about Fernandez because he came to town bearing a new version of education reform, called "school-based management/shared decision-making," or SBM/SDM—SBM for short. Fernandez had implemented SBM in Florida when he was superintendent of schools for Dade County.

In theory, SBM transfers power from principals and the central bureaucracy to a team composed of teachers, administrators, and sometimes parents and students from a single school. The team meets periodically to decide matters ranging from budget and curriculum to spending and even hiring and firing.

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What does this have to do with reading, writing, and 'rithmetic? In theory, quite a bit. School-based management is inspired by perhaps the single most firmly documented insight of the best education research of the past several decades. Again and again, education researchers in search of "effective schools" have reached the same conclusion: Good education depends not so much on any particular educational method as on good management. Good schools are well-managed schools.

Well-managed schools have clear goals, the primary one being high academic achievement. A well-managed school has strong leadership and a staff that understands and shares the school's goals. The staff is a team of professionals that does not simply follow rules, but actively and enthusiastically promotes team goals. "Team" is a key word. In a good school, the staff is "on board."

School-based management is supposed to be a way of achieving the well-managed school, of building good organizations. By giving power back to schools, SBM is supposed to free them from the dead hand of central bureaucracies. By giving teachers a share in decisions, school-based management is supposed to build team spirit and teacher morale. Chancellor Fernandez has complained that large schools are run on "the factory model," and that teachers are treated like clock-punchers, not professionals. With SBM, he says, you treat "the people in the trenches as professionals."

What actually happens under the SBM label varies tremendously from state to state, from school district to school district, and even from school to school. In New York City, P.S. 41 in Brownsville, Brooklyn, has been "doing SBM" since 1987. On his first day in office, Fernandez visited the school for a photo opportunity, declaring it an exemplary model of SBM in action. Ten months later he tapped P.S. 41's principal, Herbert Ross, to become his director of school-based management.

At P.S. 41, four teachers, two assistant principals, and a teacher's aide met once a week for 45 minutes to make major decisions about school policy. Some of the decisions included eliminating grades and replacing them with progress reports, and starting a parent involvement room. The SBM team worked with teachers on a program called "Open Doors," which encouraged parents to participate in class by demonstrating a special skill, giving a lecture, or just helping out. (This was the program that had one Mrs. Carolyn Key doing the "mashed potato" for a group of fourth and fifth graders as part of a lesson about dances of the Sixties and Seventies.) P.S. 41 was considered very successful, because decisions were made fairly, smoothly, and efficiently, because teachers, parents, and students raved about the school, and because the school's reading scores were significantly higher than the district average: 62.4 percent of P.S. 41's students were reading at or above grade level, as compared with the district average of 35.2 percent.

When Fernandez left Dade County, there were not yet any numbers from Florida's SBM experiment to show the program's effect on reading scores, math scores, attendance, dropout rates, graduation rates, or teacher morale. Still, to many New Yorkers weary of incompetence and corruption, SBM sounded great. It was new; it was draped in the most up-to-date rhetoric from the human potential movement; and it had this powerhouse salesman.

There were a few curmudgeons out there. "It goes against my natural disposition to be a contrarian in these times in which New York City is ushering in a harmonious new age of the love-in. . . . [But] the annals of school history are littered with innovations, many of them recycled old

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innovations refurbished to new terminology," warned a retired elementary school teacher on the *New York Times* op-ed page. But in general, SBM was given the full great-white-hope treatment in the press. The headlines trumpeted: BLUNT NEW CHANCELLOR SHAKES UP BUREAUCRACIES, and FERNANDEZ WANTS TO EMPOWER LOCAL SCHOOLS TO MAKE DECISIONS. New York dailies called SBM "a new system of democratic governance" and "the educational equivalent of perestroika."

Since Fernandez's tenure began, more than two hundred schools have signed up for SBM. Feedback has begun to trickle in, and hard questions can now be asked, such as: Just what kinds of programs are being promoted under the SBM banner in New York? Will SBM allow staff, parents, and students more voice in school policy? And, at the most basic level, will it improve the schools?

SBM gives more power, not to teachers, but to teachers' unions

The early returns suggest the answer to these questions is no. The evidence is mounting that SBM is at best a half measure that promises far more than it delivers. It often increases rather than decreases bureaucratic interference with schools. It throws more power to the teachers' unions rather than to teachers. It can exacerbate destructive tension between parents and schools, undermining rather than building agreement on educational goals. It erodes the strong leadership that good schools need by taking power away from principals. And, in the process, SBM postpones the kind of dramatic reform that the New York City school system so urgently needs.

The trouble is partly due to the vagueness of the SBM plan disseminated here in New York. "Circular 41," the document outlining the regulations governing SBM in New York City, says that "schools whose proposals for SBM are accepted will have opportunities to try something new; to redefine roles, relationships, and responsibilities; to share in decision-making. . . ." Although there are a few specifics embedded in the document, most of it is just that cryptic.

Herbert Ross of P.S. 41 spent just five months as Fernandez's director of school-based management before he quit or was fired. (The chancellor's office says he left by "mutual agreement.") Retired now, he doesn't want to say why he left, but he was quoted in *New York Newsday* as saying mildly, "The chancellor's main initiative didn't have leadership for ten months. . . . The bedrock of the chancellor's administration wasn't well thought-out."

This is not just a New York phenomenon. After surveying many reports from around the country, professors Betty Malen, Rodney Ogawa, and Jennifer Kranz, authors of a recent study on SBM, were left with the impression that SBM is an "amorphous" and "elusive" concept, whose emphasis is "more on the spirit of the approach than the details of the arrangements." What is school-based management? "The problem is, nobody really seems to know," the study concluded.

In New York, SBM has created a vacuum of authority, fostering disputes rather than harmony. What is the scope of the principal's authority in an SBM school? Does he still have veto power over decisions the committee makes? Does the Board of Education have an enforcement apparatus in case the principal acts high-handedly? What issues are open to SBM teams, and how much power do they have? Sandra Ham, a CUNY graduate student who has been studying SBM, recently attended a large public meeting with Chancellor

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Fernandez, where teachers, administrators, and parents tried to get specific answers to these key questions.

"Chancellor Fernandez kept reiterating that there's no one formula," said Ham. The audience seemed dissatisfied, but the chancellor and his aides "got out of giving concrete answers by throwing it back to the audience, saying, 'That's what you'll have to decide.'"

An SBM proposal is supposed to be approved by a team consisting of the principal and democratically elected representatives of the school's staff and parents. In practice, however, the SBM process tends to be co-opted by a small faction of education insiders. Karen Gutwirth, an SBM team member at P.S. 90 in Queens, says her school had a big meeting where several people said they'd heard about SBM and wondered if they could try it at their school, but they were told that the principal was handling the arrangements.

"That was the end of it," says Gutwirth. As far she knew, the proposal was prepared by the principal and approved by the president of the PTA and the United Federation of Teachers chapter chairman.

"In every case I know of," says Marilyn Gittel, a CUNY professor who has been following the process, the school staff wrote the SBM proposal without parent input: "Plans were submitted by school staffs; parents weren't even involved. . . ."

A lot of parents have noticed this trend and have made it clear they are annoyed about it. To quell the muttering, the Board of Education threw a huge one-day lunch and pep rally, called "The Chancellor's Institute for Parental Partnerships," at a midtown Manhattan Hilton. Entertainment was provided by a distinguished panel (including Commissioner Thomas Sobol and Chancellor Fernandez), who handed out plaques and made upbeat speeches. Cost for the day: about $65,000—$25,000 of which went to a consultant for planning.

But a chicken lunch apparently didn't assuage parent activist Audrey Tumbarello, who in a workshop called "Parents as Partners," grabbed the mike and told the audience, "It's like a big cookie jar. The principals take out what they want, and the teachers and the school boards take their share, and then there's nothing left for parents. . . . You have to stay on their good side to get the goodies from the system, and to stay on their good side, you don't challenge them too much." She was rewarded with tumultuous applause, and whoops and cries of "That's it!" and "Tell it!"

Disgruntled parents also point out that one of the few specific requirements in Circular 41 is that each school's SBM team is to have "a majority of nonsupervisory pedagogues"—in other words, teachers or teacher's aides. Under no circumstances can parents be allowed to outnumber teachers on SBM teams. Prior to the document's circulation, several parents' groups met with Chancellor Fernandez and asked him to increase parent involvement. "On three separate occasions," says John Fager of the Parent Coalition for Education in New York, "Fernandez said no, he wanted to let each school draw up a plan of how it wanted to proceed." Then, instead of granting schools autonomy in the matter, the chancellor issued Circular 41, which forced all schools to favor teachers over parents.

"We thought that was the height of cynicism," says Fager. One community school board created an SBM team with a parent majority, only to be summoned to the central board headquarters in Brooklyn and informed by the chancellor's special assistant, Askia Davis, that it was in violation of the chancellor's plan. So much for liberating schools from the central bureaucracy.

All Fernandez has done, according to Erica Zura, a member of District 13's

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community school board, is to create "another layer of bureaucracy that serves to empower a small number of people." Zura took her complaint to a public meeting attended by the chancellor. When she asked him why he decreed that teachers comprise the majority on SBM teams, Fernandez snapped, "Because principals and teachers have unions."

That was more than a flip remark. The one consistent thread running through Fernandez's reforms, including SBM, is that the powerful United Federation of Teachers always gets what it wants, regardless of who else gets hurt—including parents, principals, the city's pocketbook, or school children.

Norma Rollins, who was on Fernandez's transition team and now consults with the central board on policy, was one of many sources who used the term "partners" to describe the current relationship between the chancellor's office and the United Federation of Teachers (UFT). "When policy is being decided, administration officials will say, 'That's a collective bargaining issue,' which translates into: 'We have to run that by the union.' "

"Nothing happens at the policy level without the support and approval of the union," says an especially bold principal named Harvey Newman. "There is no initiative that the chancellor dare undertake without union endorsement. . . . The union has become management."

Last September, a glimpse of the UFT's power was caught when Mayor David Dinkins agreed almost immediately to a 5.5 percent wage increase for teachers. Of course, "concessions" were asked of the UFT in exchange for the wage raise. But one of the key concessions—an arbitration procedure supposed to speed up the hearing process for teachers charged with impropriety—turned out, in fine print, to be voluntary. Thus, the concession is really a benefit: A teacher charged with impropriety can choose either speedy arbitration or the old, convoluted hearing process. Someone who feels he has a good case can therefore choose the fast way, while someone who wants to stall for time (and exhaust his prosecutors) will go the other route.

A month later the mayor's office began to panic about the cost of the raise. Dinkins told the Board of Education it must cut $90 million from its $6.5 billion budget. There were more negotiations about money-saving lay-offs or furloughs. The UFT finally proposed a five-day wage deferral, the deferred wages to be paid back in two installments—one in 1995 paychecks without interest, the other in 1996 paychecks with interest. For this sacrifice—in effect, a $40 million loan the union makes to the city—the UFT was granted substantial con-

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cessions: a policy change allowing teachers to take sabbaticals immediately before retiring; no layoffs before June 30, 1991; and a Board of Education pledge to create new early-retirement incentives.

These small details passed without much notice in the press. But they amount, as one former Board of Education executive put it, to a "massive rip-off of the public purse." According to Michael Petrides, the only Board of Education member to oppose the deal, the city's concessions to the union will cost the city more than the $40 million loan it received. Small wonder that, when the ink was dry, UFT President Sandra Feldman issued an open letter to union members exulting over the union's victory.

Similarly, Fernandez's SBM plan seems crafted to address the concerns not so much of parents, students, or teachers as of union reps. Marilyn Gittel, professor of political science at CUNY, wrote in a recent op-ed piece published in *New York Newsday*: "In order even to apply for SBM status, the 210 New York schools that have done so were required to get the approval of two teachers' union officials, two [principals' union] officials, and one parent." SBM teams may request waivers of union contracts if necessary to accomplish their school goals, but all waivers are subject to the approval not only of the chancellor, but of the union. One SBM team, which tried three times over a period of months to get a union waiver, has yet to receive even the courtesy of a reply.

In other words, for all his reputation for standing tall, Fernandez has apparently thrown in his lot with the most powerful players in school-board politics, the United Federation of Teachers. It is not hard to understand why. Eighty-five thousand mostly middle-class members strong, the UFT is the largest union local in the country. UFT members vote; they phone-bank; the union collects about $30 million a year in dues, which its leaders like to spend on issues and politicians. Fernandez probably owes his appointment to the UFT: He was the UFT leadership's candidate for chancellor and had a long history of union chumminess in Florida. Fernandez's SBM plan for Dade County, for instance, was partly designed by the United Teachers of Dade. Indeed, Fernandez was so eager to implement SBM there that he went on the road in 1985 with Pat Tornillo, head of Dade County's teachers' union, talking SBM to groups of business leaders, educators, and legislators. When questions arose about this unusual closeness, the *New York Times* quoted Fernandez as saying: "I want to reassure you that because we wear the same color suits, the same color socks, and because I roll over in the morning and say, 'Pat, what are we wearing today?' doesn't mean we are in bed together."

The UFT backs SBM partly because it is a small but sweet pot of spoils (SBM teams can get up to $20,000 from the central board for expenses), and partly because the union likes Fernandez's rhetoric about "teacher empowerment." On most SBM teams formed so far, the teacher representatives include the school's UFT chairman.

SBM is also a union job-generator. There is extra pay for teachers who attend SBM training, for example. There is also a cadre of "facilitators," trained and paid for by the city, who are sent on request to SBM schools to, you know, "facilitate" decision-making. One couldn't expect other human beings to have some natural aptitude for this kind of thing, so potential facilitators are, of course, sent away for several weeks of intensive training in facilitating at certified institutes of facilitation—with training paid for by the Board of Education.

The UFT appears to have of a lock on these positions. Donald Singer, president of the principals' union, says he has tried and

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failed on many occasions to get facilitator positions for his members.

SBM claims to give decision-making back to the schools and to reduce bureaucratic interference. In practice, however, school-based management does not really shift much power away from the central office on Livingston Street, since ultimately anything can be vetoed there. Moreover, SBM actually imposes another layer of bureaucracy between principals and teachers, in the form of a set of rules by which outsiders tell them they must interrelate. And since SBM teams tend to be union dominated, SBM effectively gives the union more control over individual schools.

By throwing in his lot with the teachers' union, Fernandez has blocked any chance for real reform. SBM is supposedly inspired by the "effective schools" research that says schools need autonomy; bureaucratic control destroys team spirit and effective leadership. But the source of the bureaucratic control is irrelevant. A recent Brookings Institution report by John Chubb and Terry Moe, for instance, showed that direct interference by central administrators and indirect interference by union-imposed contract rules turn out to be equally harmful to the schools' performance.

By helping the teachers' union preserve and expand its lock on the school system, Fernandez is taking a bad situation and making it worse. But the problems with school-based management go much deeper than particular flaws in Fernandez's design.

Neither autonomy, nor leadership, nor consensus can be created by directives from the chancellor's office, no matter who is in charge there, or what program he designs. The goals of school-based management are laudable, but they cannot be created by administrative fiat, which is what school-based management necessarily is. As long as bureaucratic power exists, it will be used—if not to obstruct successful schools, then to try to help failing ones; if education bureaucrats are not busy making good situations bad, they will be busy making bad situations worse.

Trying to explain P.S. 41's success, Herbert Ross says, "It's just common sense. There's no magic secret. I think [whether SBM succeeds] is primarily a reflection of who runs the school and how he or she chooses to get direction."

Principals can't make their own hiring decisions; they can't even tell a custodian what to do

In other words, it is a function of leadership. Ross didn't set out to "implement SBM," he set out to improve his school.

"It didn't happen overnight," notes Ross. "It happened piece by piece over the years, after, for example, certain teachers who didn't fit in with the school left voluntarily. We had so many things in place, except maybe the name [like SBM]." At P.S. 41, the leadership came first, the label came later. The basic, unfixable error plaguing SBM is that it tries to reverse the process: to impose the label and hope the leadership comes along.

One problem of many New York City schools that SBM leaves untouched, or makes worse, is that principals have far too little power to exercise effective leadership."Principals can't even tell a custodian what to do," says Samuel Freedman. "They can't even make their own hiring decisions." New York's is a system that encourages principals to think of themselves as administrators, rather than leaders—with deadly results to schools' effectiveness. It also makes it difficult for schools to create con-

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sensus—to bring together principals and teachers who agree on basic educational methods and goals. SBM is supposed to foster harmony by giving elected teacher and parent representatives a voice on the SBM team. But research has shown that only when principals are allowed to act as leaders, gathering together like-minded teachers and supportive parents, do schools flourish. Committee meetings do not necessarily generate consensus, as anyone who has attended one knows.

When people report success with SBM, it is often of the everybody-felt-listened-to-and-appreciated, nobody-pulled-anybody's-hair-out type. *Newsday* ran a terrific day-in-the-life profile of one team which captures this quality. Here the designated "reflector" on an SBM team in Queens reflects to the group at the end of a session:

> "What was good about the meeting was that almost everyone began to put his cards on the table and was honest—that's going to help us get to the point of trust," [the reflector] said. "This is a slow process; we are getting someplace—even if it is at a turtle's pace. Remember to listen. It's very important. Don't just wait for someone to finish to hear your own voice. And watch your body language. I saw a lot of body language going around the table. . . . But I thought it was a good meeting."

The problem is that grooving together, however desirable in itself, doesn't seem to do much for the schools' principal clients: public school children.

The long-awaited Dade County SBM/SDM evaluation released last January showed math and reading scores down since the installation of the program, with teacher morale also down by most measures. Teachers' "satisfaction" with their own schools actually dropped between spring 1989 and spring 1990—or over a year with the SBM program. The most damning statement from the report could be this one buried deep in the middle of the 31-page booklet:

> Most substantial reductions in mean ratings were noted for statements affirming that the project had produced a more satisfactory work environment, that the time spent on the project was 'worth it,' given the results, and that SBM/SDM has the potential to improve schools.

After two years of experience with SBM Fernandez-style, teachers in Dade County don't much like it or believe it will work

In other words, after two years of hands-on experience with SBM Fernandez-style, teachers in Dade county don't much like it and no longer believe it will work.

That experience dovetails with experience in other parts of the country, in which SBM groups seem to end up making safe, small decisions or acting, as Malen et al. put it, "more as ancillary advisors or pro forma endorsers than as major policymakers or primary policy actors." Moreover, "while school-based management creates opportunities to be involved in decision-making, it does not substantially alter or influence relationships."

Translation: Before SBM, the schools were run by central bureaucracies that were unresponsive to the needs of parents and students, and which got in the way of education—and after SBM they still are.

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SBM attempts to placate dissatisfied parents and frustrated teachers with an illusory power, a toy lever that doesn't really connect to anything, a shiny parental empowerment toy which will distract critics long enough for Fernandez to finish his contract and move on . . . perhaps to Washington.

For all the rhetoric about "revolutionary experiments in power-sharing," SBM has turned into an occasion for more bureaucratic mud pies, more fun with titles and memos, more occasions to award cronies with little fiefdoms within the system. SBM is not a reform but a sop, handed down to give disgruntled education consumers the illusion of some power over their children's education, while the unions and the board of education hang on to the controls and siphon off the tax dollars before they reach the classroom.

So, since in 1991 nearly everyone agrees that schools can be improved only by letting the people closest to the action run the show, and since nearly everyone has agreed that the people who make decisions should be accountable for them, why don't we stop everything right now and make public schools more like private schools? Why don't we have a real revolution?

Real reform requires a real shift in power. Schools can become well-managed, creative organizations only when they are truly self-governing. But how can individual schools in a public school system, run with public monies, be self-governing? To whom will they be accountable if not to the central office? How can we ever have real school-based management? If principals and teachers run the schools, who will sort the good from the bad?

Well, how about parents and students? How about letting them choose, and leaving wasteful, corrupt, or ineffective schools to their fate? As Herb Ross said, "If I were to take all the parents who want [their kids] to come to this school, it would be an embarrassment to my colleagues." Good idea. Some of them deserve to be embarrassed, or even to have their schools shut down and their jobs eliminated. No one wants to go to failing schools. No child should have to.

The only way out of the endless cycle of pseudo-reform and real disappointment is to let the people who want to go to Herb Ross's school go to Herb Ross's school—and let embarrassed colleagues be damned. ■

A city is a place where Man lives, walks about, talks and eats and drinks in the bright light of day or electricity for twenty-four hours a day. In New York, at three o'clock in the morning, you can walk about, see crowds, read the papers and have a drink. It is the greatest show on earth. Its fabulous beauty at night, even forty years ago, was the wonder of the world.

When I arrived home in Ireland from Broadway, where my play *The Hostage* was running, my wife said to me, "Oh, isn't it great to be back. How do you feel coming home?"

"Listen Beatrice," I said, "it's very dark!"

And I think anybody returning home after going to New York will find their native spot pretty dark too.

—*Brendan Behan*

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Out of the Barrio

by Linda Chavez

Hispanic leaders often seem to wear disadvantage as a badge of honor, as if groups were competing with one another for the title "most disadvantaged." But the truth is that most Hispanic Americans are doing very well. With one notable exception, Hispanic groups are following the upwardly mobile path of previous immigrant groups. Hispanics—particularly those born here—are very much like other Americans: They work hard, support their own families, bear their children in wedlock, have more education and higher incomes than their parents, and own their own homes.

The most widely cited statistics mask this progress, because they combine data for recent immigrants with those for U.S.-born Hispanics. Recent immigrants from South and Central America, arriving with poor English and little education, have a difficult time reaching the middle class. But like other second-generation Americans, their children appear to be moving rapidly into the mainstream.

Cuban immigrants have achieved social and economic parity with other Americans in one generation. Mexican-Americans are moving steadily into the middle class. Even Mexican immigrants and those from other Latin American countries appear to be largely self-sufficient. Two-thirds of such immigrants live above the poverty line, enjoying a standard of living far above that attainable in their native countries.

Hispanics certainly are in no danger of becoming part of a permanent underclass. Stable families are probably the most important factor preventing the temporarily poor from descending into that abyss: About 73 percent of all Mexican-origin families and 77 percent of all Cuban families consist of married couples—much better figures than those for blacks and comparable with those for non-Hispanics (80 percent). Hispanic men are actually more likely to be in the labor

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Linda Chavez is a senior fellow at the Manhattan Institute. This article is adapted from her forthcoming book Out of the Barrio *(Basic Books).*

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force—that is, working or looking for work—than non-Hispanic whites. After adjusting for schooling, experience, hours worked, and geographical region, the earnings of Hispanic men are only a little lower than those of non-Hispanic white men. (Mexican-American men are usually described as having the lowest earnings among Hispanic groups. Yet those who were born in the U.S. earn about 94 percent of what similarly situated non-Hispanic white men earn.) Steadily improving Hispanic educational achievement suggests that gap will continue to narrow.

All the evidence suggests that if Hispanics choose to join the mainstream of American society, as most are doing, they will do as well as most previous immigrant groups and just as quickly. As their economic status improves, most will opt to move out of ethnic enclaves. Many will intermarry. Already half of all Mexican-Americans in California choose non-Hispanic spouses, just as most Irish, Italian, German, French, and even WASP Americans choose a mate—or a neighborhood, or a job, or a political party—for reasons other than ethnic origin.

To all this good news, however, there is one tragic and curious exception: the Puerto Ricans, particularly those living in New York. Puerto Ricans are the poorest of all Hispanic groups, faring worse than blacks by some measures. The proportion of men in the labor force, for example, is lower among Puerto Ricans than any other group, including blacks. Nearly one-third of Puerto Rican families live below the poverty line. Thirty-nine percent of Puerto Rican families are headed by single women; 53 percent of Puerto Rican children are born out of wedlock. Only 57 percent of Puerto Rican families consist of married couples. Puerto Ricans have the highest welfare participation rate of any group in New York, with 60 percent of families receiving some form of public assistance as of 1986.

By a number of standards, this does not make sense. Puerto Ricans are among the best educated Hispanics, with a median of 12 years of schooling, significantly more than Mexicans and nearly as much as Cubans. A relatively high proportion are second- or third-generation mainlanders; people of Mexican origin are far more likely to be immigrants, although as a group they are doing much better than Puerto Ricans.

Moreover, Puerto Rican exceptionalism seems to be largely a New York phenomenon. Puerto Ricans in Florida, Texas, and California are doing much better than their New York counterparts. Puerto Ricans in these states have higher labor force participation, occupational status, and per capita income than Mexicans.

The national figures for Puerto Ricans are low, then, primarily because of New York, home to nearly half of the 2.2 million Puerto Ricans on the mainland. Why are Puerto Ricans in New York faring so badly?

The conventional view is that Puerto Ricans confronted a far more hostile environment than earlier immigrants, stocked with more bigots and fewer jobs. Clara Rodriguez, author of *Puerto Ricans: Born in the U.S.A.*, speaks for many analysts when she explains the poverty of Puerto Rican migrants this way:

> The discrimination and racism they met came as a double shock. This was especially difficult for a people unfamiliar with the sharp-edged discrimination of the United States—discrimination that actually limited life chances. What Puerto Ricans found in the labor market was different from what earlier European immigrant groups had found.

Bigotry might be expected to be a national phenomenon, which makes the particular problems of Puerto Ricans in New York more difficult to explain. But again

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there is a conventional answer, which has come to be known as the "mismatch thesis" of minority unemployment. That thesis is that the great cities of the North, and New York in particular, lost hundreds of thousands of unskilled manufacturing jobs in the Fifties and Sixties, just a few decades after huge numbers of minority workers migrated to those cities in pursuit of such jobs. As jobs vanished, these would-be workers became the core of the underclass.

This argument is not without merit. Although the total number of jobs in New York City remained stable during the 1950s and 1960s, the city did lose almost 40 percent of its manufacturing jobs during that time. And although industrial workers from many parts of the Northeast did migrate to the Sunbelt or the West in pursuit of work, most of New York's Puerto Ricans stayed, and huge numbers ended up on welfare. By 1960, half the city's Puerto Rican families were receiving some form of public assistance.

The average income of Dominicans in New York is about 30 percent higher than that of Puerto Ricans

The trouble with this explanation is that it begs the question of why Puerto Ricans have fared so badly compared with other Hispanics. Critics such as Rodriguez understate the prejudice faced by earlier immigrants, who thrived in spite of it; overstate the effect of discrimination against Puerto Ricans; and do not even engage the question of why Anglos would dislike Puerto Ricans more than other Hispanics. Neither racism nor the "mismatch thesis" can explain why Puerto Ricans, alone among Hispanics, appear in danger of developing a permanent underclass.

Take, for example, another large Hispanic group in New York: the Dominicans. About half a million Dominicans have arrived in the United States since 1965, and they now make up an estimated 40 percent of New York's Hispanic population. Dominicans share many characteristics of Puerto Ricans. Like Puerto Ricans, Dominicans have a mixed racial background. Like Puerto Ricans, Dominicans face a job market that places a premium on technical skills and offers few opportunities in manufacturing. Yet Dominican immigrants have been much better at avoiding dependency. In 1980 only 30 percent of all adult Dominicans had completed high school. Yet in 1980, the labor force participation rate of Dominican males was 82.5 percent, compared with 69 percent for Puerto Rican males. The average income of Dominicans is about 30 percent higher than that of Puerto Ricans, and 70 percent of all Hispanic small-business owners in New York are Dominicans.

Neither racism nor the changing labor market explains why Dominicans have been successful where Puerto Ricans have failed. A more plausible explanation is that the temptations of the welfare system—which are particularly lavish in New York—have interacted with certain peculiarities of Puerto Rican history and culture to make New York's Puerto Ricans more likely to be ensnared into underclass life. The Puerto Rican family structure is in shambles, and New York's Puerto Ricans seem to have developed a low resistance to long-term welfare dependency. These two factors, each alone enough to trap many of the poor in their poverty, seem to be working together to devastate the Puerto Rican community.

Why are Puerto Ricans more likely to fall into dependency? Primarily because they are U.S. citizens. Legal resident aliens from any country are eligible for some wel-

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fare benefits, with modest restrictions. However, the path to the welfare office is much less smooth and straight for most immigrants than for Puerto Ricans. For one thing, foreigners cannot legally come to this country unless they show that they can support themselves. Puerto Ricans, on the other hand, have a legal right to be here regardless of means of support.

Even more importantly, most new immigrants simply do not know very much about the welfare system. Some private social service professionals who specialize in helping refugees say privately that they deliberately keep their charges from finding out that there is a government welfare system because they have learned that welfare can sap the enormous energy required to make a decent life in a new culture.

Puerto Ricans do not have the benefit of such ignorance. Many Puerto Ricans, unlike other Latinos, come to this country already well versed in the ways of the welfare state. About 70 percent of all persons living in Puerto Rico receive some form of government assistance; more than 50 percent qualify for food stamps.

As L. H. Gann and Peter Duignan observe in their book *The Hispanics in the United States*, Puerto Ricans were "the first immigrant group who unwittingly moved into what became . . . a welfare economy with a powerful and intrusive bureaucracy, a high level of public expenditure, and a strong commitment to social planning."

New York has long had one of the most generous welfare systems in the country. Not only does New York pay a higher basic AFDC grant than most states (including all other states with large Puerto Rican populations), but it also provides probably the most generous Medicaid package of any state. New York City has by far the largest, and also one of the best, public housing programs of any major U.S. city.

Does this help explain why, as manufacturing jobs fled the city, many of the city's Puerto Rican citizens were ensnared by welfare? Surely it is part of the answer.

In 1977 Hispanics accounted for 42 percent of all recipients of Aid to Families with Dependent Children in New York City. By 1986 they constituted 54 percent of the AFDC caseload, even though Hispanics make up only about one-quarter of the city's population. Puerto Rican women alone make up nearly 40 percent of female New York AFDC recipients, even though Puerto Ricans are only about 12 percent of the city's population. Welfare dependency has risen so steeply that the State Department of Social Services recently conducted its own survey of public assistance and food stamp recipients to better understand the nature of Hispanic welfare dependency.

The result of the survey, published in 1990, confirms a disturbing pattern of long-term dependency among New York's Puerto Ricans. Puerto Rican recipients averaged nearly eight years on public assistance, longer than any other group. Nearly one-third of all Puerto Rican recipients have been on welfare continuously for more than ten years.

The majority of the Puerto Rican recipients are women who have never married. Less than 60 percent of Puerto Rican recipients have ever held a job, and less than 20 percent have worked within the last three

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years. Perhaps most disturbingly, 41 percent of Puerto Rican women on welfare are second-generation welfare mothers: Either their father or mother had received public assistance as well.

The survey also shed some light on the cause of this pattern of dependency. Although Puerto Rican welfare recipients were, in general, poorly educated (nearly one-third had completed less than nine years of schooling), poor job skills alone do not explain why so few Puerto Rican women worked. Puerto Ricans differed most from other welfare recipients in their attitudes toward work and family.

Puerto Rican women display a remarkable and admirable attachment to traditional family values. Puerto Rican women have the lowest labor force participation of any American group—only 41 percent, a figure that has varied little over three decades despite rising labor force participation by other women during this period. Nearly 60 percent of the Puerto Rican women responding to the Department of Social Services survey cited family reasons for their failure to work. Fifty-four percent of Puerto Rican women said they would be afraid to leave their children in day care in order to take a job, compared with 18 percent of black women. Nearly half said they believed mothers of school-age children should not work. Forty-one percent of Puerto Ricans, but only 14 percent of black recipients, said welfare provided better for their families than they could.

It is thus precisely a commitment to family values that causes so many Puerto Rican women, faced with the prospect of raising their children without a husband, to stay on welfare, and to accustom themselves and their children to a life of dependency, a culture of poverty. Tragically, just as citizenship seems to have become a burden for many Puerto Ricans by increasing the temptations of welfare, the welfare system seems to have turned some of the great virtues of the Puerto Rican people against them.

The question remains, Why are so many Puerto Rican women raising children without husbands? Whether the welfare system itself breaks up families or discourages them from forming is a contentious issue. But there seems little doubt that under certain conditions welfare benefits can encourage family breakup by making it easier for a woman to contemplate raising children alone or for a man to convince himself he is not needed.

It is easy to see how the generosity of New York's welfare system and certain aspects of Puerto Rican family culture could combine for maximum destructive effect. The Department of Social Services survey portrays New York's Puerto Ricans as living in a rather traditional family culture, with firm sex roles. But to this traditionalism there is one crucial exception: Puerto Rican women are much less likely to marry than other Hispanics. Only 57 percent of Puerto Rican families consist of married couples, compared with 80 percent of non-Hispanics and 73 percent of Mexican-Americans.

Puerto Ricans' failure to marry has deep roots in island culture. As late as 1950, one-quarter of all unions in Puerto Rico were consensual or common-law. According to Joseph P. Fitzpatrick, author of *Puerto Rican Americans*, the children born to such unions were recognized as "natural" children, and their parents as stable, though not legally married, couples. In the traditional Puerto Rican family, a man who lived in the home provided for his children, whether or not he married the mother. He might also bring into the home children from another union that had dissolved. This practice continued in New York. As Fitzpatrick notes:

> This is not an uncommon phenomenon among Puerto Rican families. New Yorkers have complained about the diffi-

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culty of understanding the differing names of children in some Puerto Rican households. . . . If a visitor asks a boy if the girl with him is his sister, he may respond, "Yes, on my father's side," or, "Yes, on my mother's side."

As Puerto Ricans adapted to living conditions in New York, however, many Puerto Rican fathers began to abandon responsibility for their children to the state. It is hard to avoid the conclusion that the informality of Puerto Rican family bonds, transplanted to a new and less supportive culture, combined with the easy availability of welfare, makes it easier for men to let go of their responsibilities.

Puerto Rican men have unusually low labor-participation rates. Almost one-third of Puerto Rican males over age 16 are neither working nor looking for work. Some are in school, but a great many more are dependent on family members or the state, or are in institutions. In New York more Hispanic men in their twenties are in criminal custody than are enrolled in college.

Again, the relationship between marriage and work effort is a hotly disputed topic among social scientists, but there is good reason to believe that the collapse of the Puerto Rican family here is a major factor in Puerto Rican men's low work effort. Some social theorists argue, for instance, that the poor economic prospects of Puerto Rican men make them less attractive mates, lowering Puerto Rican women's willingness to marry. But the prospects of Puerto Rican men who do work are not poor: They appear to fare at least as well as other Hispanics. While the median family earnings of Puerto Ricans are the lowest of any Hispanic groups, individual earnings of both male and female Puerto Ricans who work are actually higher than those of any Hispanic subgroup except Cubans. In 1989, Puerto Rican men had median earnings that were 83 percent of those of non-Hispanics, even without adjusting for education and other differences. Nearly one-third of the Puerto Rican men who work are employed in managerial, professional, technical, sales, or administrative support jobs.

It is likely, then, that the causality runs the other way: Low marriage rates depress Puerto Rican men's work effort. As June O'Neill and other economists have demonstrated, married men's earnings are substantially higher than those of unmarried men, regardless of race. And there is good reason to believe that the "marriage effect" on male earnings would be particularly strong among Puerto Ricans, who believe the husband should be the primary or sole breadwinner. As one study of Puerto Rican families revealed, both spouses believe that marital fulfillment requires the husband to be a good provider.

The best way to observe the relationship between marriage and poverty in the Puerto Rican community is to look at how Puerto Ricans in intact families fare. The evidence indicates they do extremely well. A small study of intact Puerto Rican families by Fordham University in the mid-Seventies found the adult children of such families performing well above the norm on every indicator. This was true even though their parents were similar to other Puerto Rican migrants in every way, except one: They got married, and they stayed married.

Like most Puerto Ricans migrants, the parents in the Fordham study were poorly educated, and also had difficulty with English. Even after living three decades in the United States, 20 percent were unable to write English and 10 percent were unable to read it. And, of course, married Puerto Ricans faced the same economic and social conditions as other Puerto Ricans who migrated in the Forties and Fifties, including the loss of manufacturing jobs so often blamed for Puerto Rican poverty.

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Yet the parents' difficulties proved no barrier to their children's success. Children from intact Puerto Rican families had a median education of 12.4 years, compared with only 10.3 years for all young Puerto Ricans in 1975. They were almost two-and-a-half times as likely as the average Puerto Rican to get a college degree. Almost 40 percent worked as professionals or managers, compared with only 15 percent of all Puerto Ricans.

The Fordham study confirms that stable marriages confer considerable advantages to children. Despite economic, educational, and language barriers, married Puerto Rican parents provided a stable, nurturing environment for their children, who made dramatic social and economic progress compared with other Puerto Ricans. For Puerto Ricans as for everyone else, the traditional family is the cornerstone of social and economic progress: Its collapse must be the main concern of those who would see them join other Hispanics on the march to the middle class and the mainstream of American society.

Adult children of married Puerto Ricans are two-and-a-half times as likely as the average Puerto Rican to get a college degree

Many Puerto Ricans are making it in the United States. There is a thriving middle class of well-educated professionals, managers, and white-collar workers, whose individual earnings are among the highest of all Hispanic groups and most of whom live in stable families. These Puerto Ricans, like other ethnic groups, have moved up the economic ladder and into the mainstream within one or two generations of their arrival in the United States.

Still, the prognosis for Puerto Ricans as a group is discouraging. Each year brings evidence that more Puerto Ricans are slipping further into dependency, and more Puerto Rican families are becoming dysfunctional. The illegitimacy rate for Puerto Rican babies inches up every year, and is now more than 50 percent. In 1960, 85 percent of all Puerto Rican males worked; three decades later, only 69 percent were in the work force. Almost half of all Puerto Rican welfare recipients have never held a job. Puerto Ricans are being left behind as other Hispanics surge forward.

The crisis facing the Puerto Rican community is not simply one of government neglect. Puerto Ricans have been smothered by entitlements. The illegal Mexican alien working in an East L.A. sweatshop has a better chance of improving his and his children's standard of living than the Puerto Rican born in New York City who ends up on welfare. Citizenship, which should have enhanced Puerto Rican achievement, may actually have hindered it, by conferring entitlements without obligations.

There is nothing inevitable about Puerto Rican failure. The problem is not an intractable racism, but rather Puerto Ricans' failure to marry and form stable families. So long as many Puerto Rican men remain alienated from the work force, living by crime or charity, and fathering children they do not support, the prospects of Puerto Ricans in the United States will be dim. So long as so many Puerto Rican women allow the men who father their babies to avoid the responsibilities of marriage and fatherhood, they deny their children the promise of a better life, the patrimony of generations of immigrant children. ■

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Crime and Metaphor

TOWARD A NEW CONCEPT OF POLICING

by George L. Kelling

"The metaphor," José Ortega y Gasset once wrote, "is perhaps one of man's most fruitful potentialities. . . . Its efficacy verges on magic." Sometimes it verges on black magic: Last year, in a depressed section of Buffalo, eight schoolgirls were raped. They were victims, though no one realized it at the time, not only of a rapist, but of a metaphor.

What happened was this: Over a 15-month period, 11 girls ranging in age between 11 and 16 years old were raped. After the third attack, police determined that a serial rapist was stalking young girls on their way to school. The police had a description and a good sense of the rapist's method of operation. Yet they did not notify parents, or circulate a sketch of the rapist, until five months and eight rapes later.

This was not an ordinary case of dereliction of duty. The chief of detectives, who withheld the information, was doing his duty as he saw it. Openly defending the department's decision to angry residents, he explained that "sensational" news coverage might have hindered the investigation of the crimes and apprehension of the suspect.

During that fearful five-month rape spree, Buffalo police believed they were doing their job. But what was their job? Was it to investigate crimes and apprehend criminals? Then perhaps they were doing it.

But what if their job was to prevent more schoolgirls from being raped?

If that had been their primary goal, surely the police would have behaved in an entirely different way. Not only would they have released a description of the rapist to the press, but they would have worked with the community, advising residents, school officials, and children. They would have mobilized parents and children to take preventive action. They would have acted as community leaders, helping the neighborhood overcome fear and suspicion so that it could resist the rapist. This may sound a bit utopian, but sophisticated private security companies do such things all the time.

The police failed to do these things primarily because police in Buffalo, as in most major U.S. cities, have come to believe that "doing their job" means playing their proper role in something that they, like the rest of us, have learned to call the "criminal justice system." The particular job of the police is to serve as the "front end" of the system, for which they "acquire" criminals. The criminals are then fed further into the system, where they become the problem of somebody else: judges, juries, and jailers.

In this vision, it is not the particular job of the police, or any other single part of the system, to prevent crime. Preventing crime is one of several goals that the system as a whole is supposed to achieve.

George L. Kelling is a professor of criminal justice at Northeastern University and a fellow of Harvard University in criminal justice.

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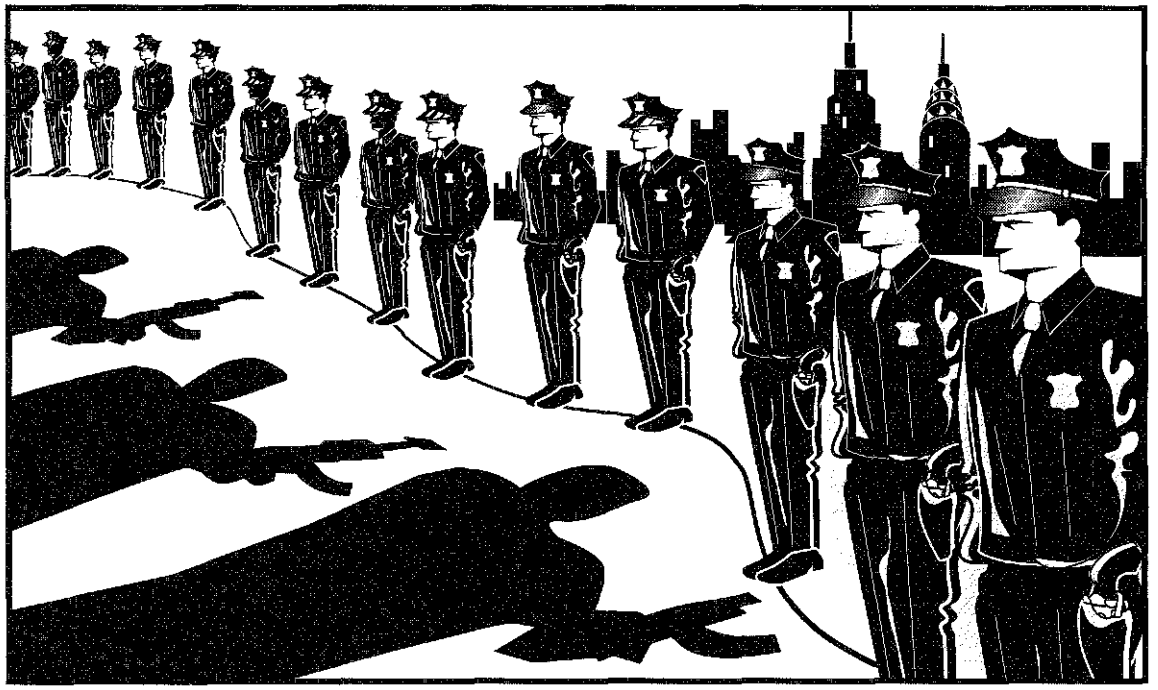

This notion—that a police officer's primary job is to acquire criminals for "the system"—governed not only Buffalo's chief of detectives, but a whole generation of police, prosecutors, and prison officials.

So pervasive has the notion of the criminal justice system become in the thirty years since the term was coined that few have noticed the obvious: The system—on which we pin our hopes for such overall goals as preventing crime—does not exist. The system is not a fact but a phrase, a metaphor that attempts to capture the complex and problematic interactions between criminals and police, courts, corrections, and other crime-control agencies.

If this sounds surprising at first, it should. The most damaging thing about this metaphor is that it is not recognized as such, but regarded as a literal description of reality. Yet recognizing that the criminal justice system is a metaphor, and a misleading one at that, is crucial to understanding why we are losing the battle against crime.

Crime-control ideology is rife with metaphor: "Wars" are fought against crime; detectives solve cases using Sherlock Holmes-like ratiocination; justice is a robed, blindfolded woman bearing a scale; the police are a "thin blue line" protecting innocent civilians from criminal marauders.

At their best, metaphors are simple and vivid, bringing fresh life to abstract concepts. They are signposts that can tell us better than any treatise what to expect or how to behave. The blindfolded woman heralds impartiality; "war" signals total commitment; the "thin blue line," military courage and defense of the innocent.

Yet metaphors can distort as well as reveal. Lost, for example, in the image of justice blindfolded is that the courts' most substantial business today is ratifying plea bargains. Lost in the imagery of detectives as sleuths is the process by which most crimes are solved: preliminary investigation of crimes by patrol officers. And lost in the military image of the thin blue line, perhaps the second most important policing metaphor, is most of what good police do.

The thin blue line metaphor was coined in the Fifties by Los Angles Police

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Chief William Parker, an important police reformer of his era. (Its origin is the thin red line, first used by London *Times* journalist Walter Russell to depict British infantrymen in the battle of Balaclava.) In Parker's day, police reformers' most important goal was to transform the nation's police forces from sloppy, patronage-ridden, often corrupt municipal agencies with a distracting array of duties into highly disciplined, professional anticrime forces. To do this, they tried to make police forces more like military units. Parker's image of a "'thin blue line' arrayed against the forces of evil" captured the imagination of police and public alike and helped build that military ethos. Decades after Parker coined it, the image still wields considerable power, showing up not only in self-congratulatory speeches at union meetings, but in police textbooks as well.

This vivid image has many implications. It splits the world into friend and foe. On one side are citizens; on the other, forces of evil; between them, the thin blue line of heroes. The metaphor urges a passive citizenry: Police keep the beast at bay, while citizens are noncombatants, ceding streets to barbarians and police.

The great urbanist Jane Jacobs captured the meaning of the thin blue line perfectly: "The police precinct captain . . . admonished residents not only about hanging around outdoors after dark, but has urged them never to answer their doors without knowing the callers."

This invitation to passivity is a disaster. In safe and orderly neighborhoods, citizens, not police, are the prime keepers of the peace. As Jacobs put it:

> The first thing to understand is that the public peace—the sidewalk and street peace—of cities is not kept primarily by the police, necessary as police are. It is kept primarily by an intricate, almost unconscious, network of voluntary control and standards among the people themselves, and enforced by the people themselves.

In Buffalo the thin blue line model was well in place. To the police operating in that terrorized neighborhood, the residents were not citizens but civilians, not a resource but a potential inconvenience. A strict division was maintained between combatants and noncombatants. Though the war was being fought for the civilians' ultimate benefit, police automatically assumed that their short-term interest—preventing the very next rape—might have to be sacrificed, exactly the trade-off friendly military forces make while turning the villages of their own countrymen into battlefields.

But even if one believes, as I do, that the Buffalo police acted wrongly in following the thin blue line paradigm, this much can be said for this particular metaphor: It is easily recognized and therefore easily critiqued when it leads us astray.

The power of metaphor to shape public policy reaches its peak when a metaphor becomes so ingrained that it drops out of sight. In other words, metaphors gain ideological power as their literary power fades. When metaphors lose their capacity to attract attention—when they become a linguistic habit—they become dangerous: A trick of language becomes an intellectual trap.

By these standards, the "criminal justice system" is a dangerous metaphor indeed. For over the last thirty years this metaphor, largely unrecognized as such, has radically transformed the way police define their jobs, revolutionizing both police missions and tactics, and powerfully distorting the way we think about crime control. The results have been disastrous, not only for those eight girls in Buffalo, but for millions of other Americans living in large cities.

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The idea of a criminal justice system was invented during the 1960s. Until then, phrases such as "penal systems," "police systems," and "correctional systems" were bandied about, but the idea that these agencies together comprised a "criminal justice system" originated in a decade-long research project of the American Bar Foundation (ABF), research that yielded a report and five very influential books on the operation of criminal justice agencies, including police, in the United States.

Most of the ABF's work was remarkably useful. In fact, it was the first serious work of social science to demonstrate that good police work does not consist primarily in making a lot of arrests, but in using a whole array of less formal techniques to keep neighborhoods orderly and safe. Nevertheless, with one fell metaphor the ABF report undid years of its own meticulous research. For the "big" idea from the ABF research that proceeded to capture popular and professional imaginations was the "criminal justice system."

The obvious strategy is to pour more resources into controlling crime before it happens, rather than controlling criminals afterwards

ABF researchers noted that arrestees went from agency to agency: police to prosecutor, to court, to prison, and so forth. To the accused being processed, these agencies must have appeared somewhat like a system. Moreover, policies and events in one agency affected others. If police increased their number of arrests, prosecutors' offices had a greater workload. That seemed like a system too.

These superficial appearances were completely misleading. As a metaphor, "system" is originally drawn from the natural sciences, particularly biology and astronomy, where it refers to a coherent natural order, such as the solar system, or the ecosystem, or even the nervous or digestive systems. The parts of a system are not autonomous but interdependent and subordinated to the ends of the system as a whole. Their interactions are governed by built-in feedback systems and a few natural laws.

The notion of systems migrated from the natural sciences to other sciences, especially the social sciences, and to technology, to planned or man-made order. We speak, for example, of computer systems, data systems, and school systems. The system metaphor is especially common in the analysis of business organizations. Peters and Waterman's *In Search of Excellence* is heavily influenced by this and other biological metaphors: Organizations inhabit an environment, an ecological niche; organizations adapt in response to other organizations; and internal regulatory processes maintain the system's distinctive form and character.

None of this is a very good description of our collection of criminal justice agencies and the people passing through them. They obviously are not part of a natural order, but more relevantly, they are not designed or governed by a single or even a collective intelligence. The courts, for instance, govern the police not in pursuit of crime control, but of justice, or even more abstractly, of "constitutionality." And, of course, they are not the only force governing the police.

These various agencies do not share coherent goals. Judges, juries, and defense attorneys are not "crime fighters." Nor is it the goal of the prisons to prevent crime; their goals are to rehabilitate, to punish, and to keep order among a dangerous popula-

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tion. Even if one could claim that collectively these agencies aim to prevent crime, that certainly is not their only collective goal.

The several parts of the system do affect each other: More arrests mean more court procedures, which mean more prisoners. More criminals let out on parole or probation mean more marauders on the streets and more overworked cops. But these crude results have little to do with the elegant, self-regulating feedback mechanisms of an ecosystem, or even a good computer system. If the criminal justice system were a computer program, it would be crashing constantly.

Because this collection of agencies and people does not have the characteristics of a system, it cannot do the job of a system: to regulate itself and its parts so that all those parts work together toward a coherent goal.

Nevertheless, the inherent power of the system metaphor was so great that it overwhelmed reality and was soon the cornerstone of the dominant crime-control paradigm. President Johnson's Commission on Law Enforcement and the Administration of Justice adopted the system metaphor and widely disseminated it in its prestigious report, *The Challenge of Crime in a Free Society*. The report presented a flow chart entitled "A General View of the Criminal Justice System," which has appeared in virtually every criminal justice text since then.

Staff of the ABF and the commission went on to prominent careers in powerful institutions that affected criminological theory and criminal justice policy, spreading the system notion to think tanks, foundations, and universities. Between 1967 and 1981, federal agencies that bought into the metaphor pumped $8 billion into various state and local outposts of the "criminal justice system."

The police loved the idea. Transformed into the front end of a system, they were liberated from acting as a city agency, responsible for a broad array of services or for actually solving problems on their own. Instead, their main job was to introduce offenders into a system by arrest, after which they were somebody else's problem. The quantity and quality of arrests became the dominant means of evaluating departments and officers. The score could always be counted at the end of the day.

Concentrating on processing criminals through the system, police sloughed off many traditional responsibilities. Traffic enforcement was either largely ignored (as in Boston) or handed off to other agencies (as in New York). Emergency medical care went to other newly created agencies. The job of maintaining order was largely ignored. To the extent that police continued to provide these services, they did so unofficially—their actions neither recorded, recognized, nor rewarded.

The criminal justice system metaphor not only misleads police about their job, it encourages them to ignore the way most citizens experience crime: how it affects their lives, and what they fear. Citizens certainly are distressed about the serious crimes that warrant not only arrest but processing through the rest of system, such as murder, assault, rape, robbery, and burglary. But even in our high-crime era, these remain relatively uncommon occurrences in the daily lives of most citizens.

Every day, however, citizens confront, and are demoralized and frightened by, the incivilities of our streets and public spaces: drunkenness, prostitution, aggressive panhandling, roving youths, drug dealing, farebeating in subways. These experiences are not only morally repugnant, but menacing: Disorder, left untended, increases citizen fear and leads to more severe disorder, resulting, as a good deal of research has shown, in serious crime.

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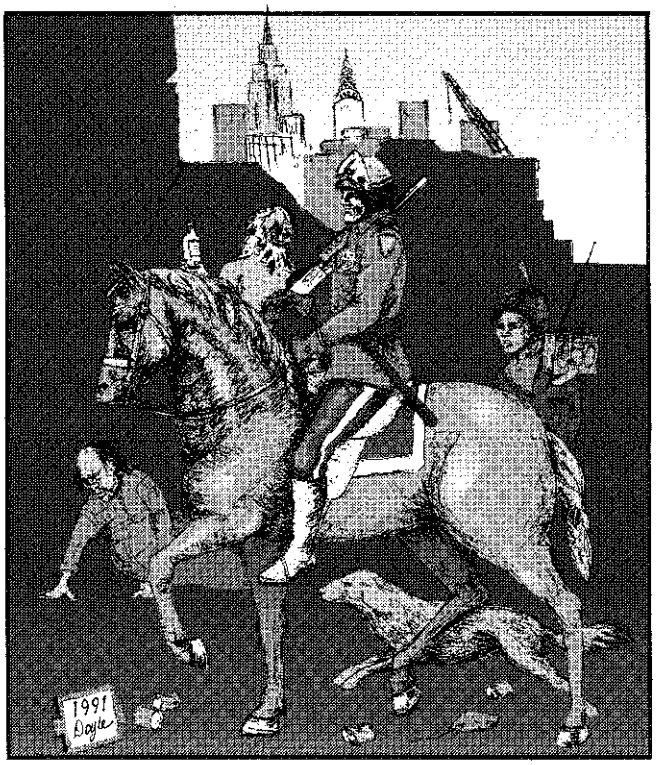
The system notion encourages police to focus on serious crimes and the formal criminal-justice proceedings to which they lead. But citizens want civil and orderly streets on which to conduct business or take their ease without fear or loathing. The relationship between these goals and the formal proceedings of the system is tenuous. If the police are primarily part of the system, they will be of little help in pursuing these goals. Can the system process disorder or incivility?

To the extent that police have recognized a broader definition of crime prevention, it has been through the creation of small, specialized "crime prevention" units that, for the most part, advise residents and small businesses about security hardware. These units are often referred to derisively as being staffed by the "empty holster crowd," because they do not do "real policing." "Real police" feed the system.



The criminal justice system concept assumes a theory of crime control that we now know to be untrue. The system consists of the front end (police who try to capture criminals), a middle (prosecutors who convict and judges who sentence), and a back end (prisons, which deter, punish, and rehabilitate). In this model of the criminal justice system, crime is supposedly prevented by primary deterrence (the criminal's fear that he will be caught and punished), secondary deterrence (potential criminals' learning from the experience of others who are caught and punished), incarceration (street crimes cannot be committed during imprisonment), or rehabilitation.

The system metaphor inevitably focuses attention on the back end of the process—the penalties that deter, or the programs that rehabilitate, criminals. The more convicted criminals are punished, deterred, or rehabilitated, the less crime there will be, according to the system theory. So for thirty years we have been pouring resources into the enormously expensive back end of the system: more courts, more prisons, more parole officers. The effects on citizens' lives, and especially the disorder that disrupts urban life the most, have been negligible at best.

I do not mean to claim that deterrence, the primary business of the back end of the system, does not work. To the argument that enormous numbers of arrests and convictions have not slowed crime, the advocates of deterrence have answers: "We do not do deterrence right. We incarcerate for the tenth offense, a murder, rather than the first, a shoplifting, etc." There is merit in these arguments, but they come down to saying that the system is not working. That being the case, do we really want the police to think of themselves primarily as a part of it?

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Freed from the constraints of the system metaphor, we can begin to see that we may have been getting the crime-control equation backwards. Perhaps the answer is not to feed the back end of the "system," but to exploit the capacity of police to control disorder, solve problems, and prevent crimes from happening. If the police are far more than the front end of a system, if they can, by their own actions, prevent crime, then the obvious strategy is to pour more resources into controlling crime before it happens, rather than controlling criminals afterwards.

What, over the last thirty years, has the "system" produced? An endless temptation to spend money. The image of a system induces us to try to create a fiscal balance between the parts. More police mean more criminals arrested, more arrestees mean more prosecutors and judges to convict, more convicts mean more prisons and more parole and probation offices. But perhaps that idea is wrong. Perhaps instead of spreading resources evenly over a system to process criminals, we need to concentrate them on the agencies that prevent crime. Perhaps, to put it bluntly, we need fewer prisons and far more cops—not cops who will feed the system, but cops who will starve it by helping communities protect themselves.

Perhaps the answer is not to feed the back end of the "system," but to exploit the capacity of the police to prevent crime

The system's "back end," courts and prisons, have become a source and a repository of frustration and cynicism. Police forces keep feeding that system, but the crime problem remains unsolved. How much police morale is wasted on complaints about the failures of the back end: the criminal released on technical violations, the prisoner freed for lack of space, the long waits in overcrowded courts, plea bargains, and blown prosecutions? Even worse, as anyone who spends a lot of time with cops can tell you, the system mentality provides police with an enervating plethora of excuses for why the streets don't get any safer. After all, the police are doing their job; it is the rest of the system that is constantly screwing up. And since it is the system as a whole that is supposed to reduce crime, say the cops, critics had best look to the parts of the system that aren't working.

How much energy and initiative might be released if, instead, police morale were based on the ability of the police themselves to restore order and prevent citizens from becoming victims in the first place, on pursuing goals not utterly dependent on the back end of the system doing its job?

It is worth considering, especially if one examines the most responsive, and neglected, police agents: private cops.

In 1990 the ratio of private police to public police in the United States was estimated at 2.4 to 1. By the year 2000, according to some estimates, it will be close to 3 to 1. Yet for criminal justice experts, private security hardly exists. It has attracted very little important research. Its implications for crime control have largely been ignored by politicians, analysts, and the police themselves. Perhaps this is not too surprising: The President's Commission, enchanted with the idea of the criminal justice system, virtually ignored private security.

Private security's mission is not to feed a system, but to prevent losses from crime. It does this first by preventing crimes; second, by limiting the damage when a crime occurs; and third, by restoring the protected

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organization's (or community's) capacity to conduct its business effectively.

These priorities make sense. If Buffalo police had not been trapped in their role in "the system," they might have acted differently. They might have remembered that the first responsibility of police in such a situation is to prevent children from being raped in the first place. If a rape occurs, their primary responsibility remains to prevent another child from being raped. Nor is preventing future rapes the only way of limiting the damage: A more comprehensive approach would include helping children and the neighborhood cope with fear. Children, aware of the danger of a sexual predator, are traumatized. Many are grieving for their friends. They need reassurance, information, and understanding from authority figures, including the police.

Moreover, in the problem-solving or private security paradigm, police would help in the healing of the community, not only because that is part of the job of limiting the damage caused by the criminal, or because healing is a good thing. They would do it also because a healthy community will better resist further assaults, because even a horrible crime need not be utterly meaningless if it can help the community to prevent future horrors. All these efforts require a much broader approach than the criminal-catching activities that currently dominate the police departments of Buffalo and other major cities.

The dominant metaphor for private cops is not the system but the (private) eye. Unlike the system, which processes the past into an endless future, the eye sees and guards and prevents in the present tense. If the prime mode of the criminal justice system is deterrence, that of the private eye is vigilance.

In romantic fiction, of course, the very allure of the private eye comes from what makes him seem dangerous as well as effective: He is truly "private"; he works alone, often bending and sometimes breaking the rules. He does not buck problems further up the system; he solves them here and now, his way, with the resources at his disposal. Sometimes he has to get rough.

We do not want our police to be private in that sense—lone romantic figures doing justice as they will. They would then breed more problems than they solve. But within the rules we do want them to take responsibility. We want them to solve problems, not alone, but by helping citizens stop crime.

Jane Jacobs, in describing how citizens help stop crime, wrote of "eyes on the street." Those eyes were private too—they were citizens, not police—but not private in the sense of being alone. We want not a lone romantic figure, violating the rules of the community to save it, but vigilant aides, helping the community guard itself, with all eyes open.

It is not hard to understand the attractiveness of the "thin blue line" and the "criminal justice system" metaphors. It is far easier to count how many arrests officers make than how effective they are educating citizens or organizing a community. The idea of a system with inputs and outcomes seems more dynamic than informal peacekeeping. "Fighting crime" is much more dashing than "keeping peace."

These metaphors, however, not only shape but constrain professional thinking about crime control. Not only Buffalo's citizens but Buffalo's cops are victimized by them. The metaphors set the police up for failure, for the police cannot deliver what the metaphors promise. They cannot place every citizen behind their thin blue line. They cannot feed criminals into the system fast enough to win a war of attrition: Upping the body count is no more workable a strategy in our streets than it was in Vietnam. We must pull our police forces out of the system and put them back into the community. ■

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City of Brawls

by

Maggie Gallagher

Bathed in peaceful sunlight on this Sunday morning almost one month to the day after Gavin died, Crown Heights looks like a storybook neighborhood. The neat brick row houses are dressed up with freshly painted white iron fences and well-tended rose gardens. These, and the middle-aged black men in their Sunday suits and fedoras, give parts of Crown Heights a comfortably nostalgic feel, like a flashback to the Fifties. Move closer to the Lubavitcher headquarters at 770 Eastern Parkway and the aesthetic changes: The houses sit in detached splendor and pairs of Hasidic men stroll the streets. With their flowing beards, tall hats, and long black jackets flapping in the breeze, they give the neighborhood a distinctly Victorian flavor, as if here, amid nineteenth-century architecture and nineteenth-century fashion, time had stood still.

Only the cops stationed at every other corner, billy clubs in hand, remind one of the recent strife that tore this neighborhood apart, leaving one man dead, and 234 injured—the cops and the makeshift memorial to Gavin Cato that still remains, protected by police barricades at the corner of President and Utica. On the sidewalk where Gavin died, spattered paint and fallen petals bear witness to a mother's heartache, a father's agony. Raise your eyes to the brick wall, and the hand-lettered signs bear witness to something else altogether: THE WHITE MAN IS THE DEVIL. NO JUSTICE FOR GAVIN, NO SLEEP FOR THE JEWS. Over a month has passed but the signs remain, tolerated, if not endorsed, by the neighborhood.

Crown Heights, Bensonhurst, Howard Beach, Canarsie—the litany of neighborhoods whose names are now synonyms for racial crimes is fast growing. New York is in danger of becoming, by reputation if not in fact, the city of racial brawls. In Canarsie, after the tenth bias-related incident in one month, one white woman asked helplessly, "Why now? I don't understand it. This neighborhood, the schools have been integrated for years. It doesn't make sense." It is a good question: Why here? Why now? What is happening to New York's race relations, and how can it be stopped?

Perhaps the answer is: New York is the city of races, at a time when the racial orthodoxy forged in the Sixties is breaking down. The old racial orthodoxy was built upon the bad conscience of our parents, who knew that they had tolerated, if not endorsed, racial segregation in America. They sought

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to make good on the promises America makes to all her children: equal opportunity and equality before the law. Blacks were just like whites and ought to be treated so. Whites should exert themselves accordingly.

In today's New York that orthodoxy is disintegrating. The gorgeous mosaic is crumbling in part because the white children of the civil rights generation do not feel guilty about race. They do not see how they can be blamed for the conditions of the ghetto, because increasingly, they recognize, the problem is not one of racial segregation but of cultural collapse. Militant blacks may call it exploitation and charge a white conspiracy, but middle-class Americans fail to see how they profit in any way from the crime, drug use, disorder, and welfare dependency that wrack inner-city neighborhoods. Moreover, the old racial orthodoxy has been disowned by a great many African-Americans, who claim not the right to assimilate, but the right to remain a tribe, with distinct history, culture, and values.

I am at a party in Hoboken. A woman teaches English in a nearby state college. "What's the ethnic background of your students?" I ask, curious. "We're very mixed," she assures me. "About a third Hispanic, a third black, and one-third what we call 'ethnic white'—mostly Korean and Vietnamese immigrants." Huh?

There is a logic behind labeling Koreans "white," but it is a logic that undermines the whole concept of race-based remedies. Affirmative action—the last act of the old orthodoxy—is supposed to help the disadvantaged. But because it emerged from the civil rights movement, it was built on the assumption that one can identify the disadvantaged by their skin color; after all, skin color was the disadvantage civil rights activists were fighting against. Soon, of course, black was not the only color that counted, and soon things other than color, like gender or sexual orientation, began to count as well. For a while the system seemed manageable. But what happens if everyone is a minority? What happens in a society in which there is no majority, and therefore no noblesse oblige, no felt obligation to "help minorities" in general, but just a whole lot of competing minorities seeking to help themselves? Welcome to New York.

Racial categories in New York are being disrupted in part by the rainbow waves of immigration from Asia, India, the Caribbean, the Middle East, and South America that have swept our shores since Congress loosened immigration laws in 1965. Immigration has prevented Crown Heights from turning into another slum or an urban desert. Seventy percent of Crown Heights residents are either first- or second-generation immigrants from the Caribbean. The neighborhood, for all its problems, remains home to a goodly number of black professionals and boasts a thriving commercial district. But immigration combines with the logic of affirmative action to help break the gorgeous mosaic down into smaller and smaller pieces.

America's old competitive streak is being transferred from individuals to minority groups. In response to such incentives, minority groups are multiplying at a fascinating pace. Why stop after adding Hispanics, American Indians, and women to the officially acknowledged list? When, for example, did people of Spanish origin stop being white, as other Euro-Americans are? But if Latinos are a racial minority, why not Italians? Why not Greeks? Why not Poles? Are West Indian blacks, who come to the country speaking English and progress toward economic equality much more quickly than African-Americans, more or less alienated from mainstream America than Hasidic Jews? And what does mainstream America have to do with the racial realities of New York?

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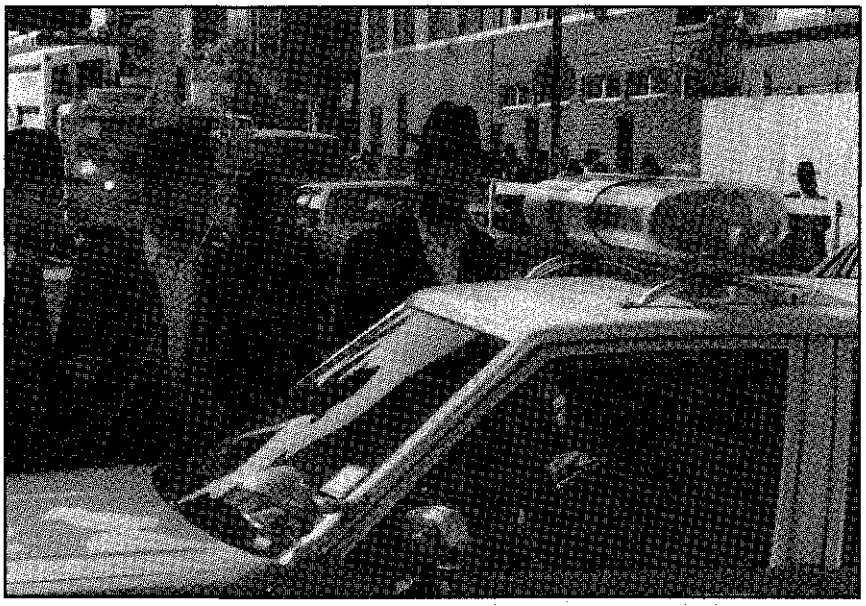

The racial orthodoxy is breaking down because in New York, unlike the rest of the country, the militants' aim of knocking whites from their privileged cultural position has been achieved. Whites are fast becoming and beginning to think of themselves as just another minority, especially when properly broken down into ethnic groups, the two largest being Italians and Jews—that is, the residents of Howard Beach, Bensonhurst, Canarsie, and Crown Heights.

And if everyone is a minority, and being part of a minority is the basis of entitlement, then people really can't afford the "we're all alike and everyone should get treated the same" benevolence of the old orthodoxy, can they? Of course race isn't everything; being disadvantaged counts too. It counts just enough to make all the tribes claim that they are being treated worse than the other tribes, which does not breed the most harmonious race relations.

It is close to midnight. I am standing in line at the grocery store with three or four packages. A middle-aged black lady asks me urgently if she can get in front of me. "No, I'm sorry," I say, thinking of my boy, whom I have left alone, coughing, while I run out to the corner store for more baby aspirin and cough syrup. "Why are you whiteys like that?" she mumbles angrily. "I'd do it for you." I have paid and left in the time it takes for her to throw ethnic slurs at me. I don't have time to stop and tell her (if she would believe me) that it had nothing to do with race, that I had urgent problems of my own. It was a small incident and, in my experience, an isolated one, but I thought of that woman as I listened to the voices in Crown Heights.

"If the driver had been black, you can bet he would have been arrested." This statement, unproved and unprovable, was nonetheless insistently repeated by the black community in the aftermath of Crown Heights. Charles Hynes's office could patiently explain that having an auto accident is not a criminal offense. It could release statistics showing that not a single one of the 22 Brooklyn drivers (ten black, nine white, two Hispanic, and one Arabic) who broke traffic laws in the course of fatal accidents last year was arrested. But the facts cannot blow away the sense of grievance, which is real and deeply felt and deeply destructive.

The racial orthodoxy is partly a matter of rhetoric and partly of etiquette, very little, any more, of public policy. The orthodox stance assumes that all of blacks' problems can ultimately be traced to bigotry. Bad SAT scores? Racial bias in the questions. Bad schools? Racism in the history texts. Drug abuse? Racist conspiracy to ruin black

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neighborhoods. Crime? Understandable reaction to racist oppression.

Yes, racism is real. But if you try hard enough, you can find it everywhere. It explains everything, from the surly bus driver to the angry customer to the boss who picks on you. It explains the tests you failed, the college you couldn't get into, the promotion you didn't get. When whites don't want to buy houses next to you, that's racism. When Jews want to buy your house, that's racism too. And, from the individual no less than the political point of view, if racism is the problem, *then there is no solution.* The racial orthodoxy promotes a view of the world that reinforces hopelessness and helplessness. The walls close in, and there is no escape.

Black leaders in Crown Heights trotted out the orthodox explanations to justify the rioters: The young men of the community were frustrated by poverty, racism, and unfair treatment. Hasidim, they complain, are too "aggressive," seeking more than their fair share in housing and in public money for their social-service agencies, though a *Newsday* survey of public documents showed that of the 823 city-subsidized apartments built in the area since 1986, 87 percent went to blacks and less than 6 percent to whites; only one of the area's 15 job-training programs and one of the seven senior citizens' centers cater primarily to Jewish citizens. When the Revs. Al Sharpton and Herbert Daughtry, attorney Colin Moore, and other black leaders met with David Dinkins in the middle of the crisis, their principal demand was: Get the young black men out of jail.

The day after the riot, according to the *Village Voice*, one lone black woman standing in front of a torched store raised her voice in defense of an obvious truth: "You destroyed your own neighborhood," she berated all within earshot. "That was very smart. That's why the black man has nothing. Burn down your own homes. Destroy the place where you live. . . . Black boys, that's all of you. Throw your rocks and bottles. Fire your illegal guns. Spread your hatred. That's all you'll ever do. That's what you are, your identity. You're just boys in the 'hood."

She had a point, which too few of us recognize: Nice neighborhoods are built and maintained primarily by the residents who live there. Nice neighborhoods don't require a lot of money, as the Hasidim, raising 12 children on working-class incomes, have proven. They require hard work, self-discipline, and above all the courage to put down, rather than laud, the disruptive violence of young men.

In New York, the governing establishment is guilty of tolerating crime and criminals in the ghetto

Many blacks in Crown Heights see the orderly, decent neighborhood the Hasidim have built for themselves as yet more evidence of preferential treatment, of institutional racism. George Gilder, interviewing young men in the prisons of New York about how they thought people got ahead in the world, ran into a peculiar myth. A number of different prisoners told him the tale of the Rockefeller fortune, which, it seems, was built by Jesse James. They may live in beautiful Victorian brownstones, but the blacks in Crown Heights who supported the rioters have put themselves in a similar prison: They believe the goods one community has are necessarily taken from another. The Jews must be getting an unfair share of government largesse, many blacks in Crown Heights have concluded. How else could the Hasidim have gotten what they have?

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It is true that black children in underclass neighborhoods are not being given a fair shake. They grow up on welfare without fathers, playing on streets littered with debris and pornography, amid crackhouses, gunshots and 15-year-old prostitutes, attending schools in which condoms are indispensable but academic standards are not.

And it is true that the rest of us do bear a certain guilt for these conditions, though not the guilt the old orthodoxy would have us bear. In New York, the governing establishment is guilty of tolerating crime and criminals in the ghetto; guilty of caring more about the rights of squatters than the health of neighborhoods; guilty of having a deeper commitment to ideological platitudes than to human beings. Above all, we are guilty of being unwilling to impose our morals on each other—to admit the centrality of marriage or the necessity of sexual restraint. When marriage becomes just another sexual option, terminable at will, the ones who suffer the most are the children of the poor. Families of all races headed by single mothers are six times as likely to be poor as intact families. Nor are the only deprivations financial: The person most likely to physically abuse a child is a single mother; the person most likely to sexually abuse a child is the mother's boyfriend or second husband. All children suffer, but the poor and disproportionately the black poor, are paying the highest price for the sexual liberation of the well-to-do.

"Race is the only problem in New York," a prominent journalist insists off camera, after a recent national television appearance to discuss Crown Heights. In the mouths of certain white liberals, "Race is the only problem" is a code that roughly translated means: The only problem is the black community has gone crazy. Thus we face, for the first time, the prospect of the racism of the left. The racial orthodoxy is still powerful and the new bigotry speaks softly. But listen to cocktail-party whispers and you'll hear some disturbing things.

Among the benevolent, the new racism takes the form of a degrading paternalism. White liberals launched the Great Society with high hopes and great expectations. Thirty years and hundreds of billions of dollars later, not a few disillusioned liberals whisper: Maybe blacks can't take care of themselves; maybe we'll just have to keep taking care of 'em forever.

Among the less inhibited, the new racism takes a starker shape.

"Debbie" is a young cellist who earns a living working at a downtown newspaper. She grew up in Flatbush, and made the move to Manhattan. Today she is your average bohemian New Yorker, politically correct in every way except one: Debbie doesn't like blacks. "Don't tell me blacks don't have good housing," she says. "They're living in the houses I grew up in." She is thinking of the large, friendly detached frame houses with big porches that dominate this section of Brooklyn, a neighborhood most Manhattanites have no idea exists. They look like midwestern farmhouses plopped down onto narrow city plots. Only today, on her old block, the houses and sidewalks are defaced by boarded-up windows, graffiti, litter tumbleweeds—the stigmata of an underclass neighborhood.

Ironically, Debbie's new racism is an offshoot of her political correctness. People like Debbie grew up being told, and believing, that the "root cause" of the crime that creates a ghetto is material poverty produced by racism. They no longer believe this. Like Debbie they may no longer believe it because they "grew up in those houses." They may have more sophisticated reasons; they may have heard that blacks who stay in school and get and stay married are doing very well in this country. Or they may simply be tired of being blamed for sins they never committed.

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If racism and race-based poverty, however, are not the "root causes" of the underclass, then what is? Bereft of the orthodox explanation, there is an increasing danger that a good chunk of disillusioned liberals may come to believe that just as race is the only problem, race is the only explanation.

Our increasing frustration with race stems from the way the orthodoxy conceptualized the problems of blacks. If racism is the main problem, then the only solution is to transform people's souls—to build a new man, without the instinct for tribe, without tribal rancor in his soul. At first, many hoped that this might be accomplished once and for all. Little children learn racism from their parents. If we make racism bad manners, then little children will grow up free of racial bias. And racism would disappear, once and for all.

This hope has been cruelly dashed. No one discriminates on the basis of one's race, sex, national origin, religion, or age—not to mention the cut of one's clothing or the size of one's ears—more gleefully than little children. No one is more certain that his family's way is the best way, the correct way, the only way.

Racism, the love of the like, is perfectly natural. It is tolerance that is learned, and must be arduously relearned, by each new generation. The tendency of human beings to cling to the tribe is older than history. The idea that all men are equal is a more recent, fragile flower.

The black community views the Crown Heights riots as the natural outburst of a frustrated minority. In reality, it seems to me the riot represents the natural, if deplorable, outburst of a majority frustrated at having to accommodate a rather unusual minority, and one with a very high birthrate at that. We are the majority in this neighborhood, the blacks of Crown Heights are saying. Why should we have to put up with traffic jams on Saturdays, and pay for police escorts for their holy man? Why indeed, if the only right is to assimilate into the majority? But if men are to have the right to live side by side in separate groups, then such are the difficult accommodations that must be made.

A friend of mine, a native of New York, now works in a big Washington, D.C., law firm. "I don't want to live in New York anymore," he tells me. "People are too race-conscious there." I know what he means. You can't talk about New York politics, for example, without talking about how "the Jews" or "the blacks" (not to mention the Italians or the Koreans) will vote.

In Washington, one rarely thinks about race, not because our capital city has achieved racial harmony, but because the lines between the races are firmly maintained. White Washington is an armed enclave. White Washingtonians travel in cars from virtually all-white suburbs to the little nest of marble buildings that is what they mean by Washington, D.C. The general public isn't allowed into most of these public buildings—to enter, one must show ID to an armed guard. Once inside any federal office building, a New Yorker notices the obvious immediately: Nearly all of the professional staff are white—and almost all of the secretaries are black. But no one in Washington, my friend assures me, thinks about race. No one needs to.

In New York the races collide and mingle and fight for political spoils and cultural identity, and shop in the same stores, and to a surprising extent, live in the same neighborhoods. New York, today as always, is one vast experiment in the dissolution of the tribe. New York is pluralism on a scale never before imagined. In most places, tolerance means allowing your identically dressed and mannered neighbor with the funny last name into your country club; in New York, tolerance means allowing your

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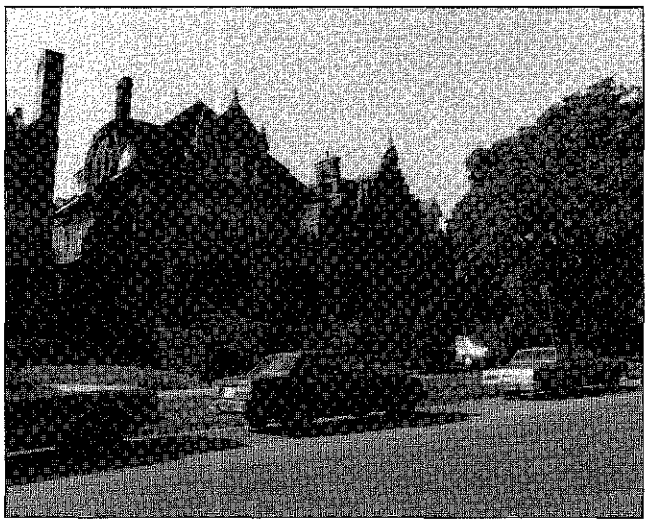
neighbors to slit chickens' throats in Prospect Park.

If pluralism can make it here, it can make it anywhere. But can it? Most of the time, it does. Even Bensonhurst is more integrated than the average suburb. And Canarsie, so-called lily-white Canarsie, is 25 percent minority. On my blue-collar block, Martin Luther King's impossible dream has come true: Hispanic and black and Polish and Irish children are out, playing together, every single day.

If real pluralism, not an endless war of countless tribes, is going to work, it is going to work here first. In this, as in so much before, New York will lead the way. But we will need a new politics and, most especially, a new attitude toward racial politics.



In New York today, racial politics are conducted largely on the symbolic level. After Crown Heights, Charles Rangel denounces New York's clergy for failing to denounce racism, while Eric Breindel blasts black leaders for failing to condemn anti-Semitism. Will Al Sharpton shake David Dinkins's hand in public? Will Dinkins march through Bensonhurst, or appear on the same platform with Sonny Carson? Shall we celebrate Kwanza in public schools? Was Yankel Rosenbaum lynched? (Do we score one for the Jews and against the blacks?) Or was he just plain old murdered? (No score, offsetting penalties, repeat the play.)

Symbol is important, but when symbolic gestures become the stuff of politics, racial strife is unavoidable: Gestures, alone, never satisfy. An obsession with them nurtures communities sensitive to nuance and insult, quick to take offense and quick to demand reparations. A city with a chip on its shoulder is not a comfortable place to live, for people of any color.

More than anything else, what is required to unite New Yorkers is not a multiplicity of symbols (symbols for everyone, but don't forget we are all keeping score), but issues, just a few, that speak to the common interests of all New Yorkers. The greatest of these is crime. Racism flourishes particularly in fear, which makes people seek the safety of the tribe. Al Sharpton marched in Bensonhurst to protest racism, and the neighborhood, under attack, closed ranks against him. If he had marched to protest street violence, he might have found himself the unlikely hero of a truly multicultural crusade.

The gorgeous mosaic is crumbling. Those who seek to shore up the old racial orthodoxy—trading charges of racism and keeping track of the ever-proliferating race-based goodies—will fail. Worse, they will postpone the urgent task of building racial harmony in an increasingly racially complex city. To build good race relations in New York, we need to remember one thing: As individuals we may have as many desires as Crayola has crayons, but as citizens of a great metropolis, we want the same things: good schools, safe sidewalks, clean streets, orderly parks; water mains that don't leak

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and bridges that don't collapse. It doesn't seem like too much to ask of the government of the greatest city in the world. The mayor who can deliver these goods will find he won't need to play racial politics to gain—or keep—office.

Reform New York Racing? A Saratoga Perspective

by

James MacGuire

This year's Saratoga meeting began in classic racing fashion. The first person I ran into at the track turned out to be the brother of a friend recently lost at sea. Knowing that the two of them had not been close in recent years, I simply said, "I'm so sorry." He responded glumly, "Yeah, and he went off the favorite, and not only did he never run, he hurt himself in the stretch, so we may have to send him back down to the farm . . . oh, you mean my brother?"

So it goes at Saratoga, racing's capital and the closest thing upstate New York has to Mardi Gras. With the Saratoga season expanded from four to five weeks this year, the old track far outdrew the more modern but oh-so-soulless downstate racing plants, and there was enough drama to go around for an entire year. An aging Angel Cordero electrified the crowd on the first Friday of the meet when his saddle slipped as his horse bolted from the gate and he lost his leg irons but continued to bounce down the backstretch on the lead. At the top of the lane he even managed to whip his charge once in a valiant but ultimately futile effort to win the race. On the basis of that performance, when his race-riding days are over he might well turn to rodeo. A good-looking Phone Trick colt named Caller ID almost completed the rare triple of winning the three two-year-old stakes, but after getting home first in the Saratoga Special and the Sanford he was trounced in the Hopeful by the fast-breaking Salt Lake. The Jim Dandy stakes was the first of many upsets, justifying anew Saratoga's longtime sobriquet, "The Graveyard of Favorites." Fly So Free roared down the stretch to beat Kentucky Derby winner Strike the Gold. On the filly front, Cynthia Phipps's Versailles Treaty upset Aurora in the Test stakes on the first Saturday and came back to win the Alabama in the mud after the heavily favored Meadow Star scratched. And in the Travers, the "Midsummer Derby," the country's oldest stakes race, William T. Young's Corporate Report upset Hansel, Strike the Gold, Fly So Free, and Lost Mountain to gain the winner's share of the $1 million purse. He paid 7 to 1 and completely clouded the year's three-year-old picture, which will now have to wait until the Breeder's Cup for a champion to emerge.

The racing business is in a bad way, and Saratoga racing is as much a tonic for horse folk as its famous waters are for those seeking cures at the spa. The yearling sales showed just how badly things are going in the industry. Prices were down a full 40 percent from last year. At track vet Don Cook's fish fry, any number of able trainers—Richie O'Connell, Dick DeStasio, Bobby Reinacher—complained about not having enough horses to fill their stalls. And everywhere in the backstretch, veteran trainers like Phil Johnson and Scotty Schulhoffer complained about not having enough races for the horses they did have. The overall quality of racing stock on New York tracks has declined, and half the Thoroughbred farms in the Blue Grass are said to be for sale.

Racing horses has never made economic sense, but the sport is supported by a loyal cadre of horse owners, whose aggregate annual loss before the 1987 change in

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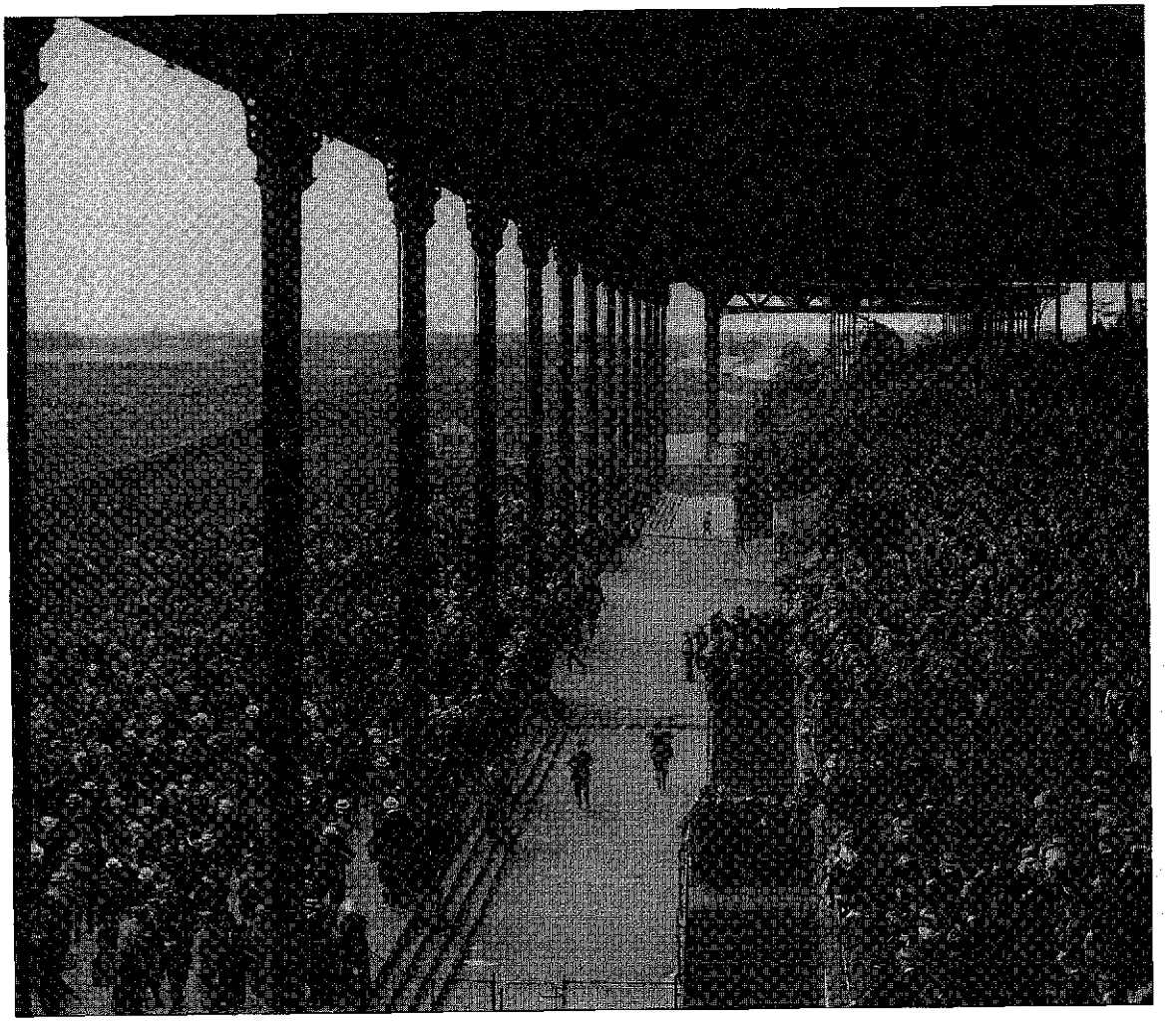

federal income tax rules was $24 million. The new tax laws have made things even harder. Costs have risen sharply while disposable income is down. In the last five years, attendance at tracks has fallen an average of 16 percent nationwide. Total betting handles are also declining: by 3 percent in 1990, with a devastating 10 percent decline forecast for 1991.

But the Saratoga social scene swam along despite the hard times. Albany author William Kennedy, Broadway producer Rocco Landesman, and 88-year-old Hall of Fame trainer Horatio Luro were among thousands on the scene each day. Mrs. Walter Jeffords served speckled trout to John McEnroe's mother at her North Broadway house, Wellington Mara went AWOL from Giants training camp to bet a double or two, and Treasury Secretary Nicholas Brady found time to fly up from Washington to watch a couple of days' races.

There were parties everywhere. At Molly Wilmot's benefit for the New York City Ballet, Heather Watts smoked and Peter Martins sipped, and the unsinkable Molly looked on admiringly. "They smoke and drink more than I do, but they're so young and they have such good bodies. So much more fun than that racing crowd—'The Cemetery Club,' I call them." And while Molly was feeling jealous of the

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younger generation of dancers, Saratoga's undisputed queen was admiring Molly's ever-youthful figure. "I hate her for being so thin," Mary Lou Whitney moaned. "I mean, how do you hide the *boobs*?"

At Saratoga the big questions have always counted. A week later in the meeting, Mary Lou had her annual soiree at the Canfield Casino. Three hundred of the Cemetery Club swarmed in at her bidding, dressed in costumes suggested by *Guys and Dolls*, to gamble for charity at tables manned by members of the Saratoga Elks. "I'm not giving my party this year," another Palm Beach heiress was heard lamenting that night, "I'm not up to it." To which came the sympathetic retort, "It doesn't matter. Nobody came anymore, anyway."

Far from the playgrounds of the quality folk, Saratoga lost two of its nobler mainstays over the winter. Rozier Cohen Johnston, who had handled the binocular stand since 1919, died last spring, and Pappy, a disabled jazz drummer and sometime shoeshine boy, succumbed to cancer in early July. They were missed. During the excitement of Travers Day, I suddenly realized that it was exactly ten years ago that I had wandered into the press box and seen a diminutive, florid-faced man sipping a vodka and tonic, surrounded by his admirers, the hard-bitten denizens of the Fourth Estate. It was Red Smith's last visit to Saratoga. He saw Willow Hour win that day. For the fifty years previous he had seen most of the other good ones and the men and women who worked with them. "I love it," he said on a *60 Minutes* interview not long before he died. "It's one of the greatest athletic contests in the world, and I don't think there's a greater collection of characters anywhere than on the backside of a race track." He made them come alive:

> At lunch Max Hirsch said "no thank you" to the waiter with a tray full of martinis. "I'm running a horse this afternoon. If I drank one of them I'd probably bet on him."

One of Smith's favorite stories was Alfred Vanderbilt's on names:

> It isn't easy getting names approved by the Jockey Club. Take my mare Pansy. I just name her foals for the sire and ignore the dam. She produced a foal by Shut Out, so we called him Social Outcast, and another by Questionnaire that we called Query.

Why do as many as fifty thousand people flock to the venerable wooden Saratoga Racetrack, standing among great elms in the Adirondack foothills? They come because it is beautiful and has a perfect atmosphere for an upstate summer outing. They come because of its history as a place where Indians and settlers gathered to taste the springs and bathe in the healing waters, and where the guerrilla warfare tactics of General Horatio Gates repulsed the British Army and turned the tide of the Revolution. They come to see a city of gingerbread Victorian homes built around the century's turn. But they come most of all for racing.

A day in Saratoga begins at dawn, watching the horses work out on the main track or on Oklahoma, the training track. At 8 A.M., when the main track is harrowed and training stops for 45 minutes, horsemen congregate at the Reading Room, the track, or a local restaurant for a breakfast that cannot be called complete unless it includes one of the succulent, locally grown Hand melons, a delicious hybrid which, happily, ripens in mid-August.

Later in the morning there is ample opportunity for tennis, golf, shopping, or the baths. The races begin at 1 P.M. and last until 5:30 or 6. Afterwards there is a swirl of cocktail parties and good restaurants to choose from. And although the elegant casi-

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nos (in one of which an aunt of mine is reputed to have thrown her mink stole down on the roulette table and proclaimed, "Put that on red") are long gone, without undue effort one can still last out on the town until just before dawn, when Hatty's Chicken Shack on Phila Street will supply you with a cup of strong coffee before you head out to the track to start all over again.

"People love Saratoga," second-generation trainer Leroy Jolley likes to say, "because it has a beginning, a middle, and an end." Now that the meeting has been extended, however, and rumors abound that it will add another week in 1993, not everyone is sure it really does have an end. But that's OK too.

My father inherited from his father a disapproval of children at the racetrack, but around my fourteenth year the call came forth from Saratoga, and I was soon ensconced on an Adirondack Trailways bus heading northward to join my parents. Seated next to me was an elderly Jewish gentleman impeccably dressed in a seersucker suit and a straw boater. We struck up a conversation, and I told him I was making my first visit to Saratoga. He sighed and said, "How I wish I was making my first visit to Saratoga. I've been going for over fifty years." I asked him if he had known my great-grandfather, an Irish immigrant who early in the century used the proceeds from his food business to begin a modest stable. My companion frowned. "I liked his groceries better than his horses," he groaned and went back to studying his *Morning Telegraph*.

I should have taken such Weltschmerz to heart, but unfortunately the next day I hit the double for $106 (my father, not wanting me to be disappointed when his pick for the second race failed to come in, offered to buy the ticket out for $40, whereupon two touts at the next table turned on him and hissed, "Too much!") and have been hooked ever since.

An aunt of mine threw her mink on the roulette table and proclaimed, "Put that on red"

With the founding of the American Jockey Club in 1866, New York became the center of American racing, consistently offering the highest purses and attracting the best runners. Saratoga emerged as the racing capital each August in the early 1860s and has never been challenged. In 1866 Leonard Jerome, the American grandfather of Winston Churchill, purchased the old Bathgate estate in Westchester County and built a European-style course, which he called Jerome Park. In the following years racing in the metropolitan region proliferated, and racetracks were built at Monmouth (1870), Brighton Beach (1879), Sheepshead Bay (1880), Gravesend (1886), elegant Morris Park in the east Bronx (1889), and the original Aqueduct (1894), with its popular "grandstand as might be seen at a country fair." Would that the architect of the present Aqueduct had embraced the same aesthetic!

With the dawn of the twentieth century, Jamaica Racetrack opened in 1903, Belmont Park in 1905, and Empire City (today's Yonkers Raceway) in 1907. All of these tracks were privately owned, and some of them were highly profitable enterprises. Parimutuel betting was introduced in 1940 and soon replaced the often colorful institution of legal, on-track bookies. Handles soared, and with them, revenues to the state.

The war effort curtailed racing drastically between 1941 and 1945, but afterwards racing boomed anew. The state's racing facilities were aging, however (as is

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again the case today), and it became clear that the only way to replace them was through the creation of a new state racing structure. Convinced that private capital could not accomplish the necessary ends under the prevailing tax structure, the Jockey Club proposed the formation of a nonprofit, quasi-public racing association to take over Belmont, Jamaica, Aqueduct, and Saratoga. Whereas from today's perspective a strong argument could be made for reprivatization, at the time the Jockey Club solution was regarded as innovative, and most people involved in the sport believed it was the only way forward.

Following upon the proposal of the Jockey Club study commission, the New York Racing Association (NYRA), a parastatal agency, was formed in 1954 and bought out the stock of the surviving privately held tracks. It then consolidated racing at Aqueduct, Belmont, and Saratoga and began a program to build new facilities at the first two while upgrading the ancient premises of the third. Enormous plants capable of holding up to sixty thousand fans were constructed at Aqueduct (1959) and Belmont (1965). On good days, that many came out and cheered the exploits of the legendary Kelso, Ridan, Damascus, and other great horses of the era. The sport was established and secure, second only to baseball in the public's heart. New York had the finest racing in the land. The future looked bright.

But during the Sixties, while other professional sports—notably pro football—developed sophisticated marketing and promotion programs and greatly multiplied their audiences through the shrewd use of TV, racing seemed almost to disdain its fans. The plutocracy that controlled the sport in New York was unresponsive to changing times, and racing's market share began to wane.

Then in 1971, disaster struck. Off-track betting (OTB), which had been resisted for years, was legalized. The Old Guard believed that racing was a sport first and a gambling opportunity second: If the public wanted to participate in the sport, the proper place to do that was at the races. In the most grievous miscalculation in its history, when NYRA was offered the opportunity to run OTB, it refused. So New York State's curious OTB structure was formed, with six separate, autonomous corporations in different regions of the state, each with its own duplicative management structure, overseeing off-track wagering. By common consent it has been an administrative and fiscal disaster.

The arrival of OTB meant the cannibalization of what had been NYRA's exclusive franchise. Despite such superstars as Secretariat, Seattle Slew, Alydar, and Affirmed, on-track attendance plummeted during the Seventies and has never been restored. OTB's own operation has been deplorable. Enter a New York City OTB parlor and one is assaulted by dirt, stench, and rudeness. OTB's operation has become one of the most flagrant patronage plums in the state (not an inconsiderable distinction). Furthermore, faced with a declining share of the gambling dollar as lotteries and casino gambling have thrived, OTB has been anything but competitive. It maintains prohibitive "take-outs" reaching 24 percent of each dollar bet, and a punitive "surcharge" on winning bets, both of which drive gamblers away.

Through its resolute mismanagement, OTB, where 60 percent of all money wagered on racing in New York is now bet, has put its franchise into deep jeopardy. Last year New York City OTB gave the city and state only $33 million in revenues out of $959 million bet, down from a profit of $65 million on just $780 million wagered in 1977. State Comptroller Edward Regan estimates that New York City OTB will begin running at a deficit approaching $1 million this year unless immediate emergency action is taken. The New York City gov-

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ernment may be the only institution in the free world that could run a book, without even having to pay off the cops, and still lose money. Is Johnny Gotti laughing at us?

For all its shortcomings, racing in New York still packs a sizable wallop. When last measured by Peat Marwick, the industry poured a total of $1.4 billion in direct and indirect expenditures into the state economy, including $173 million in revenue to state and local governments. More than 12,000 jobs were generated by the industry. When jobs at New York State horse farms are factored in, the number climbs to close to forty thousand. Thoroughbred racing is the most widely attended professional sport in the state.

Nonetheless, the slippage is clear. We need fundamental changes in the structure and marketing of horse racing in New York State.

The first of these is to consolidate OTB and NYRA. Under direct government control, OTB has predictably turned into a patronage machine and a nightmare of bureaucratic waste. NYRA, although quasi-public, is essentially free of direct political control and is run by real racing people. It would almost certainly do a better job.

Moreover, folding OTB into NYRA would be a natural first step in giving New York racing a rational economic structure. Successfully managed professional sports succeed largely because they control, and manage well, the broadcast rights to their events. We should start thinking of off-track betting as the racing equivalent of broadcast rights. By giving NYRA the right to exploit these rights, we can ensure New York State racing the revenues it needs to thrive. The state's coffers would benefit as well, since with the right incentives in place NYRA might get a lot more creative in how it markets racing on or off the track.

Racing must work hard to expand its audience. At the moment racing is available only to those who come to the track or bet at one or another unpleasant OTB shop, few of which even offer a live signal race on closed-circuit TV. The future of racing lies in part in modern, well-appointed "teletracks" that could show racing to fans who

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gather for a night out in urban or suburban locations, much as they would at a restaurant or bowling alley. It also lies (and NYRA has made good progress in developing this area) in more innovative "simulcasting" of NYRA races to its and other major tracks around the country, Las Vegas casinos, and betting locations in foreign countries such as Mexico, Bermuda, and England. Ladbroke's has invested heavily in the United States in anticipation of such a trend. While such electronic emporia could drive down the number of national racetracks, they would greatly increase total handle and, accordingly, state revenues.

The future of New York racing may also lie in a limited experiment now being managed by the best of the OTB presidents, Dave Etkin of the Capital Region OTB Corporation. He has temporarily been given permission to pipe live harness races via cable television from the Saratoga Raceway into the homes of Albany subscribers, who can use telephone accounts to bet from their living rooms. Etkin has seen his handle rise 45 percent over the course of the experiment. The sooner such a system can be installed for both Thoroughbred and harness racing on a permanent basis statewide the better, and the better the chances will be for New York racing in the coming contest for a national horse-racing cable television channel and audience.

With the racing world thus transformed, there would be even less reason for obsolete mega-facilities like Aqueduct to continue in their present user-unfriendly condition. These tracks were built to accommodate huge crowds before off-track betting was legalized. But the reason people come to the races, especially when those so inclined can just as easily stay at home and watch on the tube, is to enjoy the sight, sound, smell, feel, and fun of a great athletic contest. At Aqueduct, Belmont, and the Meadowlands, one is so far removed from that spectacle that he might just as well be watching on TV. (The majority of people at these monolithic racetracks do watch the races on TV.) By contrast, more intimate tracks, which preserve the feel of racing's glorious past and continuing contact with country life—Keeneland in Kentucky, Oaklawn Park in Arkansas, and Saratoga best of all—have in the past two decades consistently outdrawn facilities with double or triple their capacities.

Don't move Aqueduct, just tear half of it down, and make the other half halfway comfortable

The best solution, therefore, would be to put the races on TV and as many other different distribution networks as possible. Then the racetracks could be downsized, so that going to the track would once again be a pleasurable sporting experience. Don't move Aqueduct, just tear half of it down, and make the other half halfway comfortable. Put the crowd closer to the races at Belmont. The Saratoga season could be extended even further, from July Fourth to Labor Day. Other potential major racing venues should be explored to take advantage of the northern New York City, Westchester, and Connecticut markets now so badly served by the two Long Island tracks. Finger Lakes, outside of Rochester, should be bought at a sensible price (the owners say they want to sell, but at the moment their asking price is absurd) and used to promote the New York Breeding Program. Occasional meetings on the English model could be mounted in such lovely locations as Chattaqua or the Catskills.

In addition to all these changes, Albany must make the decision to take less so as to

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get more. Under the current formula, out of every dollar wagered, the state government reserves five cents for itself (the rest of the take-out provides the tracks with operating capital, contributes to the New York State Breeders' Fund, and in the case of OTB's surcharge, provides monies to local government). This is a ruinously high levy which, in the face of mounting competition, the state can no longer afford to exact. Maryland has now cut its levy to 0.5 percent, and the result has been the resurgence of a dormant racing industry. So did New Jersey, a much stronger competitor right next door. Racing statistician Joe Finnegan makes a convincing case that such a decrease would ultimately benefit the state in increased revenues from higher handles.

Racing on cable TV and telephonic betting, state-of-the-art teletracks, amenable tracks, revamped and expanded OTB outlets, a rational management structure, and lower state levies could all combine to double or even triple the overall racing handle. And that is only in-state. If New York racing would market its product nationally and internationally, it could generate ten times the revenues it produces today, assuring better racing, more jobs, and, dear to the heart of an otherwise indifferent Albany, direct revenues to the state and localities approaching $2 billion annually.

For too long people associated with New York racing have been content to complain but do nothing, or to pass off the state's racing problems—whether OTB's miserable performance or the negative publicity accompanying tragic breakdowns of filly stars Ruffian and Go For Wand—on "bad luck." But as every athlete knows, sometimes you have to make your own luck.

There are some hopeful signs. The most encouraging has been the successful debut of the American Championship Racing Series. ACRAS, a televised series of Grade I stakes, has heightened interest in old fans and attracted new ones. A particularly welcome new racing fan is rap singer MC Hammer, whose star filly Lite Lite first lost to Carl Icahn's Meadow Star in the Mother Goose and then came back to whip her in the Coaching Club of America Oaks later in the summer. Hammer, whose music earned him $39 million last year, won a six-figure bet from Icahn and got off the second best remark of the year in racing upon being introduced to Leroy Jolley. "You're the first white boy I ever met named Leroy," he exclaimed to the notably humorless trainer. The best remark was made by octogenarian Ogden Phipps after Hammer celebrated Lite Lite's victory by removing his shirt in the box adjacent to the racing patriarch's and waving it at the crowd: "I suppose the next time I win a race I'll have to drop my trousers in the winner's circle." Why not?

When I think of racing I think of Sunny Jim Fitzsimmons—who rode at the old Aqueduct the day it opened in 1894 and went on to train two triple-crown winners, Gallant Fox and Omaha, late in life—sitting in the saddling ring, listening to and talking with all who came to pay homage to his stooped body and sagacious mind. I think of Man O' War's groom, Will Harbut, introducing visitors to Big Red on Samuel D. Riddle's farm.

"He broke all the records and he broke down all the horses, so there wasn't nothin' for him to do but retire. He's got everything a horse ought to have. He's got it where a horse ought to have it. He's just de mostest horse."

I think of the great steward Francis Dunne joking that if the Japanese really wanted to make a successful sneak attack on the United States they should have come down Belmont Park's old Widener Chute.

I think of little Fred Caposella crying out, "It is now post time," in his big voice from the announcer's booth.

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I think of the long-ago jump jockey shouting at his colleagues, which included the great amateur steeplechase rider of the Thirties, Pete Bostwick: "Get out of my way, you sons of bitches . . . and you too Mr. Bostwick."

Most of all, when I think of racing, I think of the excitement you feel in your bones and smell in the air at a good racetrack on the day of a great race. Tolstoy caught the flavor of a contest of champions in the magnificent race scene in *Anna Karenina*, but I don't believe anyone has ever described the feeling of being at one with the huge crowd as a thrilling race begins, and thousands of people simultaneously try to keep track of all the changes in position and racing tactics that the various animals—equine and human—resort to in their efforts to prevail.

I think of stirring performances like Secretariat's record-smashing 31-length win in the Belmont Stakes of 1973, or more poignantly, the courage shown by many a champion trying to stave off what he knows in his heart is certain defeat. Perhaps some people are capable of objectivity at such moments, but as the pounding of hooves deafens the roar of the crowd and the field comes swooping down the stretch, I am not one of them. And after I stood shouting Corporate Report home on Travers Day (upon whom I had not even bet), I thought of the horses of my lifetime—Jaipur, Buckpasser, Damascus, Key to the Mint, Affirmed (later disqualified), Java Gold, and Easy Goer—who had impressed me most in winning this race. And I thought of the great ones who came before—Scythian, Kentucky, Barbee, Bersan, Spur, Twenty Grand. It's just de mostest sport, and it doesn't deserve to die a slow death by political mismanagement—not when, with a bit of effort and fight, we could make it moster and moster.

Letter from East Harlem

by

Nathan Glazer

East 96th Street may be the most sharply defined border between poverty and affluence, urban misery and urban elegance, to be found anywhere in New York. Below, the streets glitter with fashionable apartments, shops, art galleries, bookstores, churches clothed in magnificent marble edifices, and nonprofit institutions ensconced in discreet million-dollar town houses. One block north, and suddenly there are shabby tenements, housing projects, storefront churches, cut-rate clothing stores, and groups of idle men on the street.

Once the division was not so sharp. Why should elegance end at 96th Street? Up through the 1930s, it was not expected that it would: Mount Sinai and Flower Fifth Avenue hospitals were built along the park; the New York Academy of Medicine erected its grand Byzanto-Romanesque building on 103rd Street; the Museum of the City of New York was built at 104th Street. Nor did poverty disappear south of 96th Street: The tenements along Second and Third avenues were much the same north and south of the great 96th Street divide.

From a street map, it would be hard to see why 96th Street should be a boundary at all. On the map, the same wide avenues sweep up from the East Side into contiguous East Harlem. The same long, narrow blocks created by the strange street plan laid down for Manhattan 180 years ago are found north and south of 96th Street. (The plan called for few north-south streets and many east-west streets, producing long, narrow blocks, because it was assumed the city would need many east-west streets to accommodate cargo from vessels in the East and Hudson rivers.) To the east, the East

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River flows as placidly above 96th Street as below; to the west, Central Park stretches all the way up to 110th Street.

Only the huge superblocks that sprout north of 96th Street offer a hint, in the streets that have disappeared from the grid, of one significant difference: the projects.

The decisive factor in the life of East Harlem, unlike the Upper East Side, has been the shifting winds of urban ideology. The same narrow, crowded tenements for the poor and working classes could be found north as well as south of 96th Street, but East Harlem was defined as a slum, ripe for clearance and projects. Yorkville (the east side of the Upper East Side) was not.

So East Harlem has been regularly scheduled for whatever treatment is currently in vogue—first slum clearance and huge public housing projects when they were the preferred reform; later, spot clearance, vest-pocket projects, rehabilitation projects, open-space projects, Model Cities social interventions, work-training programs—whatever the program, the funds poured into East Harlem in greater volume, with more resources, than just about anywhere in the city.

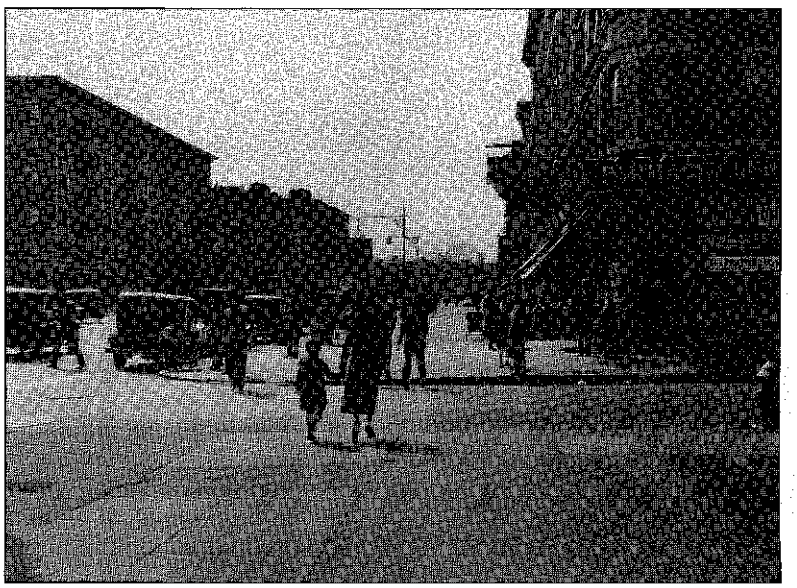
East Harlem has been a battleground for dueling schools of urban planning. In its shifting history, one can read a cautionary tale about the limits of the reigning ideology—today's, perhaps, no less than yesterday's.

When East Harlem, in the 1930s and 1940s, first became a candidate for massive clearance and public housing, it was largely an Italian area. This was Fiorello LaGuardia's congressional district, and the largest Italian neighborhood in the United States—far larger than the historic Italian settlement on the Lower East Side known as Little Italy. This was the district that sent Vito Marcantonio again and again to Congress.

The other large population group of East Harlem was Jewish. I was born in 1923 on East 103rd Street, between Second and Third avenues. One side of the street was mostly Jewish, the other mostly Italian. When, in the depths of the Depression, my family moved on to greener pastures (the Bronx), it was not because we were pushed out by crime or social decay, or because we thought of East Harlem as a slum, but because the Bronx offered more room for the money.

And yet East Harlem was already defined as problem country. Langdon W. Post's *The Challenge of Housing* defines it so in 1938. He was the first chairman of the New York City Housing Authority when it was formed in 1934, and a great advocate of public housing. To him the solution to East Harlem was simple: total clearance and rebuilding.

A speech from New York City's greatest mayor, Fiorello LaGuardia, in 1944, cap-



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tures the enthusiasm of a whole generation of urban reformers:

"Tear down the old," he said. "Build up the new. Down with rotten, antiquated rat holes. Down with hovels. Down with disease. Down with crime. Down with firecraft. Let in the sun. Let in the sky. A new day is dawning. A new life. A new America!"

Woody Klein, a famous reporter of his day, borrowed a line from that speech to use as the title of a very interesting book, *Let in the Sun*. In 1959, Klein moved into East Harlem (on 101st Street, between Second and First avenues) and wrote a series of articles for the New York World-Telegram about his tenement, located on what he labeled the "worst block" in New York City. (It is a common form in New York journalism—there have been a lot of "worst blocks" over the years.) I was intrigued—it was only two blocks from the block I had lived on, which was no longer eligible for "worst-block" candidacy because all of it had been torn down for a superblock housing project, George Washington Houses. (The block we moved to in the East Bronx, Kelly Street, later became "the worst block in New York City," and the subject of a three-part series in the *Wall Street Journal*.)

After meticulously documenting the varied efforts to improve East 101st Street, Klein concluded: "More money and manpower have been spent trying to save the poor people and old buildings in this one block during the past two decades than any other piece of real estate in New York." He also writes of this "worst block": "It has been compared to the slums of Calcutta." (Today the comparison of New York to Calcutta is so common that it was adopted as a running title for a series of editorials on New York by the *New York Times*.)

The aesthetic of the early housing projects is not futuristic but pastoral

In 1969, a master *Plan for New York City* was published in six massive volumes. Yet by 1969, master planning was no longer held in high repute. The plan itself expressed doubts about the old faith in slum clearance, dismissing the enormous effort that, an aerial map shows, had indeed transformed East Harlem:

> Although there is more public housing in this district than in almost any other place of comparable size in the country, the population is still crowded into decaying tenements that lack light, air, and often the most basic conveniences of a home. Public housing projects housing close to 53,000 residents have been built since 1940. Yet they only scratch the surface of the district's housing problems.

That 53,000 was one-third of the population of the area at the time. Some scratch.

The age of the giant housing projects was already drawing to a close in 1969. The city had moved into a new age, and a new faith: in the power of comprehensive social programs to cure the ghetto's ills. The Model Cities program had been launched, and two-thirds of East Harlem had been designated as an area in need of comprehensive aid under that federal program. In time, that too would pass.

In the intervening years, the controversy over the very real problems in housing projects has obscured the earlier, happier experience with projects in places like East Harlem. Up to the 1960s, housing projects were by and large successful. Relocating existing tenants was not a major issue. When controversy over relocation began to emerge in the late 1950s, the main concern was not tenants but storekeepers: The hous-

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ing projects had no stores, and urban renewal projects had few. In the clearance for Lincoln Center (an urban renewal project, not a housing project, but the same was true of housing projects), 325 retail businesses were replaced by a mere twenty.

In the 1940s and the 1950s, the public housing projects of East Harlem were welcomed. And why not? Good, new, subsidized housing was available for low-income people. The housing it replaced was narrow, dark, crowded, and dilapidated. The argument for light, air, and open space seemed overwhelming.

For years, public housing was not just another social program but part of a utopian vision—the embodiment, in stone and mortar, of the good society. The New York City Housing Authority's commitment to giant projects was based on the best thinking of the 1920s and 1930s: First wipe the land clean, and then stamp a new, better pattern upon it. The Housing Authority's very first large project in the 1930s, Williamsburg Houses, reflected this approach. The tight grid of streets was replaced by a superblock, and the houses were set at an angle to the street grid, almost as a demonstration against the grid. The reasons for this unusual site placement were partly ideological. Lewis Mumford had denounced the uniform grid, indifferent to features of topography and landscape, as the soulless invention of commercial capitalism, interested only in creating fungible plots to buy and sell. There were also practical reasons: The land acquired by closing the streets could be used for parkland, open space, trees, and playgrounds. The aesthetic of Williamsburg and other early projects is not futuristic but pastoral.

As public building for low-income tenants resumed after World War II, the projects got taller and taller. George Washington Houses, the East Harlem project that replaced the block on which I was born, towered 14 stories high. Housing projects spread upwards for many reasons, but one of the most important was the planners' commitment to open space: Light and air and lawns and playgrounds would not be given up. And they weren't—even if land costs dictated high density. The George Washington Houses, for example, cover only 13 percent of the land.

At first, the pastoral quality of this new urban landscape was matched by the values of the early residents. The first New York projects were designed in the Depression for a society in which vast numbers of people qualified for public housing. One critic has said that the early public housing projects were designed really for a "submerged middle class," rather than the truly poor. Residents of housing projects were happy to take the air on the benches scattered through the project. They enjoyed the grass and the trees. They hoped to get to Levittown, and many eventually did. Fathers worked, and mothers kept watch over the children—and the neighborhood.

But as the economy revived, the income and social characteristics of project dwellers began to change. The submerged middle class surfaced and left the projects, and the elements of community life that policed open space and inner corridors weakened.

The Italians of East Harlem initially welcomed the housing projects. Who could object to new housing, larger and cheaper than what they possessed? But that changed very rapidly when they saw what the projects meant. E. J. Dionne, as an undergraduate at Harvard in 1972-73 (he later became political reporter for the *New York Times* and *Washington Post*, and is the author of the current book *Why Americans Hate Politics*), studied East Harlem for his senior thesis. By then the remaining Italian population violently opposed the projects, which they saw as the turning point in the destruction of their neighborhood. "The projects brought in Puerto Ricans and blacks.

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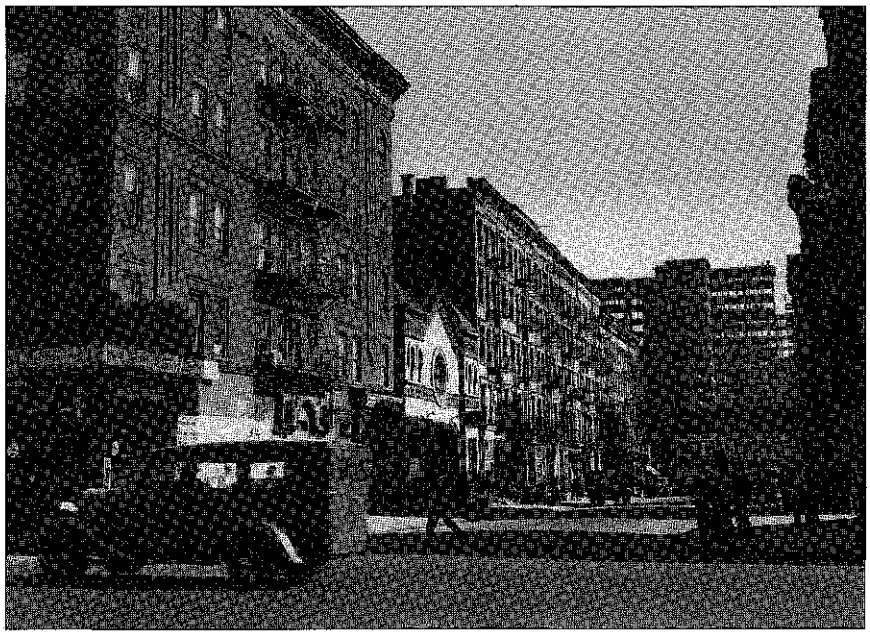

Politicians are held responsible. . . . Vito Marcantonio is especially held at fault." Italians, as he writes, "were poor enough to live in substandard housing, but not poor enough to get into the housing projects." But it was not the Italians—or any other residents—who ultimately halted the housing projects.

The forces pushing for public housing were strong enough to overcome all opposition through the 1970s. The greatest of these forces were the trade unions and the builders, allied with political liberals, who could always point to the overwhelming need for low-income housing to justify massive new construction.

When at last the housing project fell into disfavor, the successful attack was, surprisingly, mounted from above: from architects and planners who were turning against the Corbusian vision of towers in a park. Catherine Bauer wrote one of the earliest critiques of public housing, "The Dreary Deadlock of Public Housing," in 1956. It appeared not in a political magazine, but in the journal *Architectural Forum*. The place of its appearance, as well as its content, marked it as a critique from the outside—elitist, if you will. True community, she decided, had not been achieved:

> The public housing project . . . continues to be laid out as a "community unit," as large as possible and entirely divorced from its neighborhood surroundings, even though this only dramatizes the segregation of charity-case families. Standardization is emphasized rather than alleviated in project design, as a glorification of efficient production methods and an expression of the goal of "decent, safe, and sanitary" housing for all. But the bleak symbols of productive efficiency and "minimum standards" are hardly an adequate or satisfactory expression of the values associated with American home life. And all this, in addition, often embodied in the skyscraper, whose refined technology gladdens the heart of technocratic architectural sculptors but pushes its occupants into a highly organized, beehive type of community life for which most American families have no desire and little aptitude.

Open space, once the crowning glory of the housing project, now came under attack. The decisive blow was delivered by Jane Jacobs (who was an editor at *Architectural Forum* when it published Catherine Bauer's article). In her 1961 classic, *The Death and Life of Great American Cities*, Jacobs celebrated the street over the superblock; the mixed array of housing and stores, and even the little factories and arti-

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san shops she found near her West Village home on Hudson Street, over the large project devoted to residential housing alone; the closely built streets, without gaps, against the verdant expanse punctuated by free-standing slabs or towers; the mix of income groups created by the complexities of small-scale development, against the uniformity produced by bureaucratic rules reserving subsidized housing for the most qualified.

In 1962 Jane Jacobs described in almost apocalyptic terms the way the projects transformed East Harlem:

> Eventually, much as the generosity of a rich nation might well extend massive aid to a deprived and backward country, into this district poured massive "foreign aid," according to decisions by absentee experts from the remote continent inhabited by houses and planners. The aid poured in for rehousing people—some $300 million worth [the current replacement cost of the housing projects of East Harlem would be many times that]. The more that poured in, the worse became the troubles and turmoils of East Harlem, and still more did it become like a backward and deprived country. More than 1,300 businesses which had the misfortune to occupy sites marked for housing were wiped away, and an estimated four-fifths of their proprietors were ruined. More than five hundred noncommercial storefront establishments were wiped away. Virtually all the unslummed population which had hung on was rooted out and "dispersed to better itself."
>
> Lack of money has hardly been the problem in East Harlem. . . . The money poured into East Harlem alone from the public housing treasuries is about as much as was lost on the Edsel. In the case of a mistake like the Edsel, a point is reached when the expenditure is reappraised and halted. But in East Harlem, citizens today have to fight off still more money for repetitious mistakes that go unappraised by those who control the money floodgates.

New York was built up densely on a uniform grid, with every street front occupied continuously by housing, stores, institutions. It is the typical thing in New York for a large church to be placed chock in the middle of a block, with tenements or apartment houses flush up against it on either side. Or a police precinct-house. Or a school. Or a branch library. What was to be gained, urbanists such as Jane Jacobs argued, by isolating apartment houses in open space?

Of course there were other factors besides the changing mood of urbanists and reforming architects and planners that condemned the large project. One was community organization. Community activism always prefers the existent to the very different that is going to replace it. The relocation of the 1950s had been carried out with relatively little protection for the sitting tenants, storekeepers, or owners. The pains of relocation became the most powerful argument of community activists. Even as tenements were abandoned or vandalized, it became more and more difficult to propose large-scale clearance and wholesale replacement with a radically different urban form. New projects had to ape the old tenements. Urban theorists combined forces with urban activists. The first preferred the lively slums: All they needed was upgrading. The second feared what would come if the slums were demolished: the bureaucratic project for which they would not be eligible, the expanse of green fields with no room for small stores.

With the rise of the drug trade, it seemed that every open space, whether in a project or not, could become a drug market. Washington Square, edged by fine town houses and apartment houses and churches and New York University, was as difficult

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to keep free of drug dealers as the open spaces of housing projects. With the increase of the homeless population, open space could become their camping ground, and its use by families and children became problematic. (Interestingly enough, the open spaces of the housing projects did not become camping spaces for the homeless. Was it because of the efficiency of the New York City Housing Authority police? Or because the homeless themselves preferred the lively precincts of Tompkins Square Park, edged by tenements and stores undergoing gentrification, to the uniformity of the projects? Or because panhandling was more productive in upper-income areas?)

As early as 1962, housing projects in various cities—not New York—could not fill all their apartments. In Newark, Boston, and St. Louis many housing projects began to deteriorate rapidly. The project, originally a refuge from slums, came to be seen as the epitome of ghetto life: broken families, unruly youth, unkempt grounds, violent crime.

Whatever its condition, every tenement is now treated like a holy icon, to be restored whatever the cost

The new image of the project was not always accurate. But a change in mood condemned all huge projects, even when, as in East Harlem, they worked pretty well.

New York did better because the New York City Housing Authority (NYCHA) was one of the best-managed housing authorities in the country. In most projects, including those in East Harlem, vacant apartments were immediately filled; the NYCHA police force often kept crime lower in projects than in the surrounding streets; and tenants in NYCHA projects were a better mix than in other cities: fewer on welfare, more employed, fewer with social problems.

As the rights revolution swept over the country in the late 1960s and 1970s, the NYCHA's severe management style, which served to maintain order, was forced to change. Still, NYCHA projects performed better than most. None lay half-empty and abandoned; none was dynamited, as happened in St. Louis and Newark; none was thinned out and turned into middle-class housing, as happened in Boston.

In dense East Harlem, the open spaces are not neglected. The trees have grown, the lawns are lush, the playgrounds are not vandalized and abandoned, the benches are not broken, as anyone who strolls around the Washington Houses can see.

And yet, the urbanists have won: New York City, it is agreed, should not be a verdant expanse punctuated by housing towers. We have Central Park for the verdant expanse. There will be no projects like the Washington Houses built again in the low-income areas of New York. What is there, stays. Half of East Harlem is occupied by these giant projects, and almost two-thirds of the population of East Harlem now lives in them. But today, in East Harlem at least, the only funds for low-income housing go to a very different strategy: the rehabilitation and maintenance of the old-law tenement and other forms of housing eighty or a hundred years old. Eschewing wholesale housing for the poor, New York has moved into small-scale, retail housing—one tenement at a time gutted and rebuilt into a handful of apartments in a hundred-year-old shell.

The housing that was decried by the housing reformers of the 1930s and 1940s

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as slums worthy only of destruction is today restored at great expense despite obvious deficiencies. Whatever its condition—and many of the tenements are now mere shells—every building is treated almost as a holy icon, to be restored whatever the cost. It is a very strange ending to a story that began with the enthusiastic destruction of these tenements. Fifty years later we have an equally enthusiastic movement for the preservation of those that have survived.

The programs under which old housing can be rehabilitated for low-income people—city, state, and federal—are so numerous, the sources of funds so varied, the regulations determining who can live in what kind of housing so complex, that we have spawned a host of nonprofit agencies that have developed the skills to fulfill the varied requirements these programs set, and to rehabilitate, rent, and maintain the rehabbed buildings. It has become a fascinating enterprise, drawing in reformers of the 1950s and 1960s, militants and activists of the 1960s and 1970s, and church groups and voluntary organizations. The major agency in East Harlem engaged in this work is Hope Community, directed by George Calvert.

Alongside the tenements rehabbed with public funds, one finds the occasional brownstone or tenement restored by private owners or developers. One wonders: Is this form of urban renewal merely an invitation, in the long run, to gentrification?

The city uses various devices to lock each newly rehabbed tenement into low-income housing as solidly and permanently as the projects themselves. And yet, for all its problems, East Harlem still provides the vibrant and varied street life for which gentrifiers look. We may yet see, in revived New York, efforts to extend the East Side above 96th Street.

The battle over the form of East Harlem was fought largely between two elites: the NYCHA, with its commitment to the projects it had created, and the urban theorists, who called for denser and more varied use and continuous street frontage.

But in the great urban mix celebrated by critics such as Jane Jacobs, perhaps there is room, along with the bustling tenement row, for the well-run housing project, for the verdant expanse and the sparkling tower as well as the crowded, row-house grid. At the very least, the East Harlem experience suggests that housing projects are not necessarily slums—and it may be worthwhile to discover the ways in which successful housing projects differ from those that did become slums.

East Harlem suggests, too, that peaceful co-existence between two warring schools of urban thought is not impossible. In East Harlem today the two epochs in housing reform seem to live in harmony, with neither the project threatening the tenement, nor the rehabilitated tenements threatening to invade the project. More than harmony, one notes a symbiosis. The project may not have any stores, but Third Avenue, edging the project, is filled with thriving small businesses, many run by Latino or Korean immigrants. The huge towers, George Calvert tells me, provide a very large number of customers.

Perhaps this harmony owes something to the very urbanists who stopped the projects. For if the projects had kept growing to cover almost all of the land (what, after all, in East Harlem was not a slum?), as they do in some of the neighborhoods that have given projects a bad name, there would not have been enough of a neighborhood left to root them in.

And perhaps, even though the sidewalk and the stoop are the preferred places for sunning and sitting, the tenement dwellers occasionally stroll into the project to enjoy the grass and trees and benches.

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DIARIST

Diminishing Returns

by

Mary Elizabeth Schwarz

Three library books, in their plastic covers, lie on top of the bookcase next to the front door of my apartment. They have been there for three weeks, and by now they are three weeks overdue. The problem is I can't return them to the library: It's never open.

My library, the Sixty-seventh Street branch, is open Monday to Thursday and closed weekends. There is no book slot—they were closed throughout the system after someone dropped a Molotov cocktail through one in the Bronx. The library is open one morning a week, but not until 10 A.M. It is open late only one night a week, Monday till 8. You have to be a member of the leisure class to use it.

Borrowing books from the library has become a difficult and expensive proposition. Lately, when I browse through the shelves, I am reluctant to take books out because I know how difficult it will be to bring them back. I say sternly to myself, "Do you *really* want to read that?" knowing that it's liable to cost me five or ten dollars. But a large part of the fun of using the library is the luxurious feeling of taking out a lot of books that you won't necessarily read or will only read part of—books you wouldn't buy.

Now those books lie on my bookcase, partly read. For the past several Mondays I have been absolutely unable to get to the library after work. It is Tuesday morning and I am determined to get the books back no matter what. Should I take them back at 10 A.M. Tuesday and go to work late? I rule out that option. Should I leave work early in order to get there by closing time at 6 P.M.? (One day I got there at 5:50 and the library was already shut.) This is something I'd rather not do.

It occurs to me that the Yorkville branch on 79th Street might have better hours. I call before leaving for work, expecting a tape-recorded message. The phone rings and rings. Finally a man with a Spanish accent picks up the phone. "Hello?" he says timidly.

"Hello. Is this the library?" I ask.

"Yes," he says.

"Can you tell me the library's hours?"

"Just a minute—I find out," he says. After about five minutes he returns to the phone.

"I'm sorry. I can't tell you," he says. "I'm the janitor."

I resign myself to leaving work early.

The Sixty-seventh Street branch lies between Second and First avenues, across the street from the Julia Richman High School, most of whose students seem to come from Harlem and the Bronx. The street in front of the school is covered with litter. The lintel above the front door eerily proclaims "Knowledge Is Power," a thought we owe to Francis Bacon.

The library, built in 1905, is narrow-fronted and deep like most of the Carnegie branch libraries, because streetfront property was so expensive even then. Inside the front door a wide staircase leads up to the main floor. Glass display cases, fans, fluorescent light fixtures and linoleum are from a different era, and if it weren't for the pathetically small collection of books, it would be rather pleasant. It is like a library from a small town in, say, 1940.

Bookshelves line one long wall, and parts of two others. Another seven shelves are lined up at one end of the room. With some revolving book stands, these contain the entire adult book collection. At the checkout counter sits a glass jar on which someone has taped a sign with masking tape. "Please Help Your Library," it says. Inside lies a dollar bill.

In the city's budget, libraries are only a drop in the bucket. Like the threatened closing of the Central Park Zoo, the cuts in the libraries' funding come out of a schoolmarmish equalitarianism that insists that cuts must be made across the board, even if the pain far exceeds the fiscal gains. But does it make sense to budget so that nothing in the city works really well? Isn't a budget with bright spots more appealing, especially if they can be had cheap? A schoolmarm's job, I suppose, is largely the fair distribution of pain, but she has a captive audience. A city that only disappoints, however equitably, is going to have a lot of truants. ■

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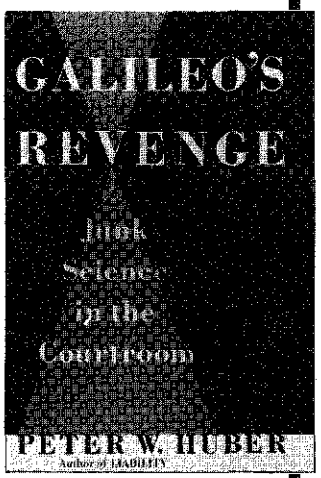

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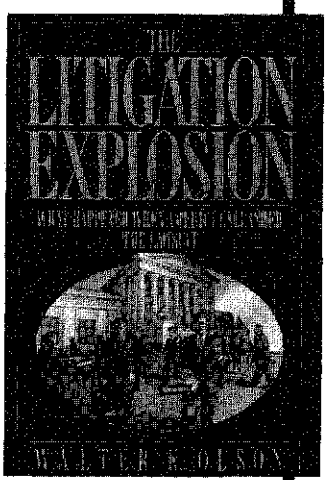

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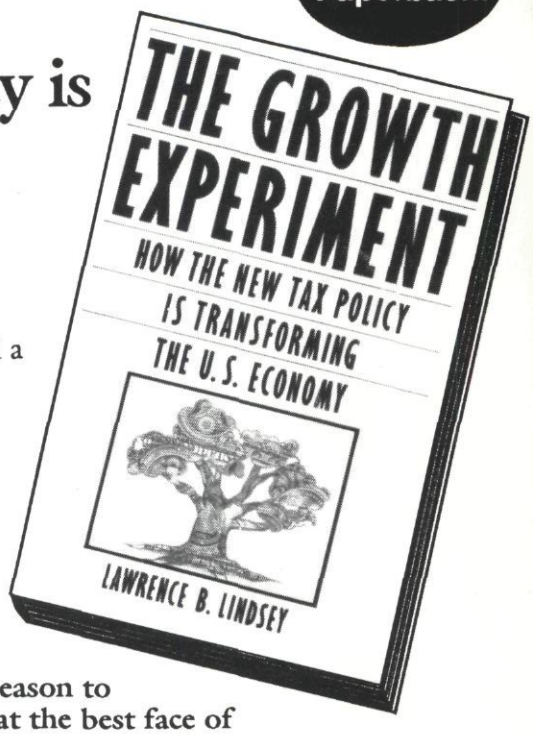

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